

3 February 2026

**Financial and other Developments**  
**H2 2025**

***Statement by the Chairman of the Board of Directors of KEDIPES,  
Lambros Papadopoulos:***

The results of the second half of 2025 were significantly improved compared to the first half, with total restructurings and/or recovery solutions increasing by 22% to €391mln, while cash inflows increased by 29% to €209mln. On the positive side, there were significant inflows from early settlement campaigns for performing and non-performing loans which will continue in 2026, while delays in portfolio sales and non-consensual solutions continue.

Total deleveraging of assets from the beginning of operations on 1<sup>st</sup> September 2018 until 31<sup>st</sup> December 2025 amounted to 51% excluding contractual loan interest and cumulative cash inflows amounted to €2.935mln. The total repayment of State Aid at the end of 2025 amounted to €1.746mln. Assets at the end of the year amounted to €5,5bln and included cash and liquid assets of €185mln, immovable properties of €382mln and performing loans of €621mln. The target of the Business Plan remains the repayment of State Aid amounting to €3,54bln.

On 30<sup>th</sup> January 2026, the agreements implementing the preliminary agreement between KEDIPES and Eurobank Limited (ex-Hellenic Bank), for the termination of the Asset Protection Scheme and the buy-back of the related non-performing loan portfolio, as well as the termination of obligations and guarantees under the Business Transfer Agreement, through which the sale of banking operations of ex-CCB to Hellenic Bank in 2018 was performed, were completed<sup>1</sup>.

The completion of the above agreements is the outcome of a demanding and long-term effort that achieved the permanent termination of the obligations and guarantees given in 2018 by KEDIPES/SEDIPES and the Republic of Cyprus to Hellenic Bank. It also ensures, the containment of the net cost of the Asset Protection Scheme to €74mln, which corresponds to approximately half of the 2018 base liability estimation scenario of €155mln, while it will also allow KEDIPES, through the management of the acquired portfolio, to reduce further this cost.

The repurchase by KEDIPES of non-performing loans included in the Asset Protection Scheme, was completed at a price of €110mln<sup>2</sup> for a perimeter of loans with a contractual value of €287mln. It should be noted that the reduction of €70mln from the initial price of €180mln is due to the very good cash inflows after the

<sup>1</sup> More detailed information is provided to today's Press Release "Όλοκλήρωση συμφωνιών με Eurobank Limited για τερματισμό του Σχεδίου Εγγύησης Δανείων και την επαναγορά σχετικού χαρτοφυλακίου μη-εξυπηρετούμενων δανείων καθώς και για τερματισμό των υποχρεώσεων σε σχέση με τη Συμφωνία Μεταφοράς Περιουσιακών Στοιχείων".

<sup>2</sup> Adjusted price on 31st December 2025. The final purchase price will be determined based on the final figures up to the completion date, i.e. 30/1/2026.

reference date of the Agreements (30th of September 2024) which are transferred to KEDIPES. The portfolio was managed by Themis Portfolio Management Limited and on 30<sup>th</sup> January 2026 a new service level agreement was signed, which has a duration until 31<sup>st</sup> of December 2030 and is governed by the same main terms as those of the existing agreement between Themis and Eurobank Limited. Based on the agreed Business Plan and the positive results to date, cash recoveries are expected to cover the purchase price of the portfolio.

Regarding the progress of the 'Mortgage to Rent Scheme', 921 applications have been approved while 471 properties have already been onboarded. The Scheme remains within the revised plan to approve 1600 applications, double the figure of the initial estimate of 800 approvals.

## **Financial Developments H2 2025**

- Cash inflows from operations in second half of 2025 amounted to €209,0mIn indicating an increase of 2,1% compared to €204,7mIn in second half of 2024.

Cumulative cash inflows for 2025 amounted to €370,5mIn, decreased by 10,5% compared to €414,0mIn for 2024, while excluding inflows of €17,7mIn relating to the sale of a high value property in H1 2024, the decrease is 6,5%.

In 2025 there were no inflows from the sale of loan portfolios compared to cash inflows of €47,3mIn in 2024.

Cumulative cash inflows from the beginning of KEDIPES operations on 1<sup>st</sup> September 2018 up to 31<sup>st</sup> December 2025 amounted to €2.935mIn. Inflow from the management of loans and properties amounted to €2.840mIn or 35,3% of the nominal value of the loan and properties portfolio of €8.051mIn as at 1<sup>st</sup> September 2018.

- Operating expenses and asset management expenses in second half of 2025 amounted to €48,8mIn, decreased by 3,2% compared to €50,4mIn in the second half of 2024.

Operating expenses and asset management expenses for 2025 amounted to €97,4mIn, decreased by 8,7% compared to €106,7mIn in 2024.

- Total restructuring and/or recovery solutions through the servicing company doValue amounted to €391mIn in the second half of 2025 compared to €361mIn in the second half of 2024.

Total solutions in 2025 amounted to €712mIn, compared to €644mIn in 2024.

Total solutions from the beginning of KEDIPES operations up to 31<sup>st</sup> December 2025 amounted to €5.297mIn.

- Loans at nominal value amounted to €4.891mIn at the end of the second half of 2025 compared to €5.439mIn at the end of 2024 and €5.217mIn at the end of first half of 2025.
- At the end of the second half, assets amounted to €5.520mIn in nominal value and included cash and liquid assets of €185mIn, immovable properties of €382mIn and performing loans of €621mIn. Total deleveraging from the beginning of operations on 1<sup>st</sup> September 2018

until 31<sup>st</sup> December 2025 reached 33,1% and excluding contractual loan interest reached 51,4 %.

- The Asset Protection Scheme to ex Hellenic Bank has been terminated, with reference date 30<sup>th</sup> September 2024. The Scheme provided protection to ex Hellenic Bank for 90% of credit losses on loans with contractual value of €2.608mln and a reference value of €2.271mln from the beginning of the Scheme (reference value is the amount covered by the Scheme). The duration of the Scheme was up to 2030. The contractual value of the assets under the Scheme on 30<sup>th</sup> September 2024 amounted to €1.206mln, while the reference value amounted to €920mln.

Under the Scheme, total payments of €102,5mln for claims to ex-Hellenic Bank have been made, while total payments by ex-Hellenic Bank to the State as a guarantor of the Scheme amounted cumulatively to €46,1mln.

By the second half of 2025 an amount of €27mln was paid against the purchase price of the portfolio of non-performing loans that were under the Asset Protection Scheme on 30<sup>th</sup> September 2024.

- Net cash inflows, after the payment of expenses and liabilities in the second half of 2025, including obligations related to the transaction with Eurobank Limited, amounted to €95,5mln, indicating a decrease of 35,9% compared to €148,9mln in the second half of 2024. Net cash inflows after the payment of expenses for 2025 amounted to €203,7mln decreased by 39,6% compared to €337,4mln for 2024.

Cumulatively from the beginning of KEDIPES operations on 1<sup>st</sup> September 2018 up to 31<sup>st</sup> December 2025 net cash inflows after the payment of expenses amounted to €1.784,3mln.

## Other Developments

### **State Aid Repayment**

On 18 December 2025 a new State Aid payment of €60mIn in cash was made for Q4 2025 increasing the total amount of repayment of State Aid in cash to €110mIn for the second half of 2025, €210mIn for 2025 and to €1.680mIn from the beginning of KEDIPEs operations in September 2018.

Additionally, KEDIPEs, as the implementing body of 'Mortgage to Rent Scheme', contributed until the end of 2025, €55mIn as expenditure for the inclusion of 454 properties in the Scheme. From the beginning of KEDIPEs operations, total amount of State Aid repayment up to 31<sup>st</sup> December 2025 amounted to €1.746mIn as follows:

- Repayment of State Aid in cash €1.680mIn.
- Implementation Cost of 'Mortgage to Rent' Scheme €55mIn.
- Other repayments (such as installments of ESTIA scheme) €11mIn.

Additionally, KEDIPEs continues to maintain a cash reserve of €80mIn for financing the Mortgage to Rent Scheme.

### **'Mortgage to Rent' Scheme**

Regarding the developments under the 'Mortgage to Rent' Scheme of which KEDIPEs is the implementing body, from a total of 2.091 applications that have not been rejected or withdrawn, 921 have been approved to date while 471 properties have already been onboarded. A significant number of applications (576) are under the technical evaluation stage where in the last quarter, a significant improvement in the completion of the process has been observed. The Scheme remains within the revised plan to approve 1600 applications, double the number of the initial estimate of 800 approvals.

The expenditure to date for the implementation of the 'Mortgage to Rent' Scheme amounted to €57mIn, for the inclusion of 471 properties into the Scheme.

### **Scheme for Early Repayment of Performing Loans:**

The campaign of the Scheme for Early Repayment of performing loans was announced in July 2025, offering borrowers the opportunity to fully repay their restructured and performing loans. The Scheme has attracted strong interest and based on the data available to date, the response has been particularly positive, with a participation rate that exceeded initial estimations. Through the Scheme, borrowers benefit from a significant discount on the balance of their loan, which enhances the possibility of smooth and favorable repayment of their obligations. The Scheme will remain in force for an additional period in 2026 and this initiative is incorporated into KEDIPEs's business plan, substantially contributing to accelerating the reduction of the total loan portfolio managed by KEDIPEs.

A detailed presentation on the progress results up to 31/12/2025 has been posted on the website of KEDIPEs at the following link:

<https://kedipes.com.cy/αποτελεσματα-διαχειρισης/>