

19 December 2024

Progress Report for Q3 2024
and Other KEDIPE Developments

- Cash inflows of €90,4mIn in Q3 2024 and cash inflows of €299,7mIn in the first nine months of 2024, at similar levels with the corresponding periods of 2023. Loan solutions in Q3 2024 amounted to €124mIn with restructurings (€30mIn) and other consensual solutions comprising 93% of total solutions. Cumulative cash inflows from the beginning of KEDIPE operations on 1/9/2018 up to 30/09/2024, amounted to €2.450mIn with total deleveraging, excluding contractual loan interest, reaching 44%.
- Repayment of State Aid of €40mIn in cash in Q3 2024, and a further repayment of €70mIn in cash in Q4 2024, with a parallel increase of the cash reserve for the «Mortgage to Rent» Scheme by €20mIn (from €80mIn to €100mIn) for future purchases of immovable properties. Total repayment of €310mIn in cash for 2024, in line with the recently amended business plan, increasing the total amount of repayment of State Aid in cash to €1.470mIn from the beginning of KEDIPE operations in September 2018.
- «Mortgage to Rent » Scheme - 2.417 applications deemed eligible based on the initial criteria, of which 1.674 are in the technical review stage and 386 in the valuation process. Until today, 98 approval letters have been sent, while the weekly number of approvals is increasing. Until today 16 rental agreements have been signed, including 1 for which the transfer of property has been completed while 15 are in the process of securing the land registry date for the transfer of the property.
- The process of the sale of two important, high capacity buildings within KEDIPE's management perimeter is in progress, being the first immovable property sale promotion carried out directly by KEDIPE.
- Commencement of Project Ledra 2 for the sale of part of the loan portfolio which will include loans under the Estia Scheme. It is expected that there will be developments on the Project within the first quarter of the next year. As previously stated, the sale will not affect borrower's rights.

Financial Developments Q3 2024

- Cash inflows in Q3 2024 amounted to €90,4mIn indicating a decrease of 19,1% compared to €111,7mIn in Q2 2024, and a decrease of 3,6% compared to €93,7mIn in Q3 2023.

Cash inflows in the nine months of 2024 amounted to €346,0mIn, including €46,3mIn from the sale of loan portfolio. Excluding the inflows from the sale of loan portfolio, cash inflows were at similar levels to the nine months of 2023 which reached €311,2mIn.

Cumulative cash inflows from the beginning of KEDIPES operations on 1/9/2018 up to 30/09/2024 amounted to €2.450mIn. Inflows from the management of loans and properties amounted to €2.318mIn or 28,8% of the nominal value of the loan and properties portfolio of €8.051mIn as at 1/9/2018.

- Operating expenses and asset management expenses in Q3 2024 amounted to €24,1mIn, decreased by 12,4% from €27,5mIn in Q2 2024 and decreased by 9,0% from €26,5mIn in Q3 2023.
- Total restructuring and/or recovery solutions performed through the servicing company doValue amounted to €123,6mIn in Q3 2024 compared to €185,8mIn in Q2 2024 and €139,9mIn in the corresponding quarter of the previous year.

Total solutions in the nine months of 2024 amounted to €403,3mIn, compared to €422,1mIn in the nine months of 2023.

Total solutions from the beginning of operations of KEDIPES up to Q3 2024 amounted to €4.325mIn or 58,7% of the initial loan balance of €7.371mIn.

- Loans at nominal value amounted to €5.699mIn at the end of Q3 2024 from €5.747mIn at the end of Q2 2024 and €6.023mIn at the end of Q3 2023.
- At the end of Q3 2024, assets amounted to €6.299mIn in nominal value and included cash and liquid assets of €174mIn, immovable properties of €392mIn and performing loans of €665mIn. Total deleveraging from the beginning of operations on 1st September 2018 until 30th September 2024 reached 23,7% and excluding contractual loan interest reached 43,8%.
- The contractual value of the assets under the Asset Protection Scheme with Hellenic Bank as at 30/09/2024 amounted to €1.206mIn compared to €2.608mIn at the beginning of the Scheme, indicating a total decrease of 54% since the beginning of the Scheme. The reference value of the assets at 30/09/2024 amounted to €920mIn compared to €2.271mIn at the beginning of the Scheme (reference value is the amount covered by the Scheme) indicating a total reduction of 59% from the starting date.

Under the Scheme, claims amounting to €102,8mIn have been filed until today by Hellenic Bank (HB) for the period from 1st September 2018 to 30th September 2024. The last claim filled for Q3 2024 concerns the reduction of previous claims by €1,3mIn.

In parallel, until today payments have been made amounting to €103,7mIn, including payment of €4,8mIn in Q3 2024.

Total payments of Hellenic Bank to the State as a guarantor of the Scheme amounted cumulatively up to 30th September 2024 to €44,1mln, while an additional payment of €1mln was made in October 2024 increasing the amount to €45,1mln.

- Net cash inflows, after the payment of expenses and liabilities in Q3 2024 amounted to €61,3mln, indicating a decrease of 22,9% compared to €79,5mln in Q2 2024 and a decrease of 8,9% compared to €67,3mln in Q3 του 2023. Net cash inflows in the nine months of 2024 after the payment of expenses amounted to €249,8mln, increased by 8% compared to €231,9mln in the nine months of 2023. Cumulatively from the beginning of KEDIPEs operations, net cash inflows after the payment of expenses amounted to €1.492,9mln.
- A cash payment of €40mln compared to State Aid was made in Q3 2024, increasing the total amount of repayment of State Aid in cash to €1.400mln from the beginning of KEDIPEs operations in September 2018 until 30th of September 2024. In parallel, due to the increased number of applications received, KEDIPEs has increased the cash reserve maintained for the future acquisitions of immovable properties under the “Mortgage to Rent” Scheme by €20mln from €60mln to €80mln at the end of Q3 2024.

Other Developments

- Following a Board of Director’s decision, a new State Aid payment of €70mln was made in Q4 2024 increasing the total amount of repayment of State Aid in cash in 2024 to €310mln and €1.470mln from the beginning of KEDIPEs operations in September 2018.
- Additionally, KEDIPEs has further increased the cash reserve maintained for the future acquisitions of immovable properties under the “Mortgage to Rent” Scheme by €20mln from €80mln to €100mln.

A detailed presentation on the progress results up to 30/9/2024 has been posted on the website of KEDIPEs at the following link:

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