



Announcement

Payout ratio of 50% for FY2024 Distribution to shareholders

Upgraded Distribution Policy

Nicosia, 18 February 2025

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014.

Group Profile

The Bank of Cyprus Group is the leading banking and financial services group in Cyprus, providing a wide range of financial products and services which include retail and commercial banking, finance, factoring, investment banking, brokerage, fund management, private banking, life and general insurance. At 31 December 2024, the Bank of Cyprus Group operated through a total of 57 branches in Cyprus, of which 2 operated as cash offices. The Bank of Cyprus Group employed 2,880 staff worldwide. At 31 December 2024, the Group's Total Assets amounted to €26.5 bn and Total Equity was €2.8 bn. The Bank of Cyprus Group comprises Bank of Cyprus Holdings Public Limited Company, its subsidiary Bank of Cyprus Public Company Limited and its subsidiaries.



Bank of Cyprus Holdings Public Limited Company ('BOC Holdings', or the 'Company' and together with its subsidiaries, the 'Group') is pleased to announce today that it proposes to make distributions out of 2024 earnings based on a 50% payout ratio¹ (the 'Distribution'), at the top-end of the Group's 2024 Distribution Policy. This is a reflection of the Group's strong financial performance, its successful execution of its strategic targets in 2024 and its ongoing commitment to delivering sustainable returns to shareholders.

The Distribution will amount to €241 mn in total, comprising an aggregate cash dividend of €211 mn and a share buyback of up to €30 mn and represents a significant increase both in terms of payout ratio and total quantum, compared to prior year. The Distribution is equivalent to 12%² distribution yield, above the 2024 Eurozone banking sector average.

The Group's capital position remains robust with a CET1 ratio on a transitional basis at 19.2% as at 31 December 2024, net of the distribution accrual at the 50% payout ratio¹.

Cash Dividend

The Board of Directors of BOC Holdings has resolved to propose to the Annual General Meeting ('AGM') that will be held on 16 May 2025 for approval, a final cash dividend of €0.48 per ordinary share in respect of earnings for the year ended 31 December 2024, almost double compared to €0.25 per ordinary share in prior year. Further details regarding the ex-dividend date³, record date⁴ and the payment date will be provided in due course with the publication of the AGM Notice that is expected to be published on or around 23 April 2025.

Intention of Commencement of a Share Buyback Programme

Furthermore, following receipt of the necessary regulatory approvals from the European Central Bank (the 'ECB'), the Group announces today that it intends to commence a programme to buy back ordinary shares in the Company for an aggregate consideration of up to €30 mn. It is expected that, once launched, the programme will take place on both the Athens Stock Exchange and the Cyprus Stock Exchange.

The launch and implementation of the share buyback programme will comply with the Company's general authority to repurchase the Company's ordinary shares as approved by shareholders at the Company's AGM on 17 May 2024, which is subject to renewal at the AGM scheduled to take place on 16 May 2025, and with the terms of the approval received from the ECB.

Further details concerning the proposed share buyback programme will be announced in due course.

Upgraded Distribution Policy

The Group aims to provide a sustainable return to shareholders. In order to reflect the steady sustained progress achieved over the last years, the profitability profile and medium-term outlook of the Group, the Board has resolved to upgrade the Group's distribution policy going forward.

Ordinary distributions are expected to be in the range of 50-70% payout ratio of the Group's adjusted recurring profitability¹ through a combination of cash dividends and share buybacks. In addition, the Board of Directors will consider the introduction of interim distributions if it considers it appropriate to do so.

The decision to make any future final or interim distributions, including proposed quantum, as well as envisaged allocation between dividend and buyback, will take into consideration market conditions as well as the outcome of the Group's ongoing capital and liquidity planning strategy at the time.

For further information, please contact Investor Relations at investors@bankofcyprus.com.

1. The payout ratio is calculated on Group's adjusted recurring profitability, defined as profit after tax before non-recurring items (attributable to the owners of the Group) taking into account distributions under other equity instruments such as the annual AT1 coupon.
2. Based on a share price as at 31 December 2024 of €4.60
3. Ex-dividend date refers to the day where the Company's stock begins to trade without the value of the subsequent dividend.
4. Record date refers to the date of the share register where shareholders are eligible for the proposed dividend.