BOV
Bank of Valletta

Annual General Meeting 2025

29th May 2025

Disclaimer

BOV Bank of Valletta

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This presentation may contain forward-looking statements concerning the development of the Bank, its Subsidiaries and Associate companies' business performance. While these statements are based on our current projections, judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

Such factors include, but are not limited to, the market general situation, macroeconomic factors, regulatory changes, geopolitical developments, movements in domestic and international securities markets, currency exchange rates and interest rates, changes in the financial position, creditworthiness or solvency of our customers, debtors or counterparts.

These risk factors could adversely affect our business and the levels of performance and results. Other unknown or unforeseeable factors, and those whose evolution and potential impact remain uncertain, could also make the results or outcome differ significantly from those projected.

Statements as to historical performance and historical share price are not intended to mean that future performance, future share price or future earnings for any period will necessarily match or exceed those of any prior year. Nothing in this presentation should be construed as a profit forecast.

Bank of Valletta p.l.c. is a public limited company regulated by the MFSA and is licensed to carry out the business of banking and investment services in terms of the Banking Act (Cap. 371 of the Laws of Malta) and the Investment Services Act (Cap. 370 of the Laws of Malta). Registered address: Bank of Valletta p.l.c., 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta.

A Strong & Sustainable Bank

"Providing added value to our shareholders, customers and the Maltese economy."

Dr Gordon Cordina
Chairperson

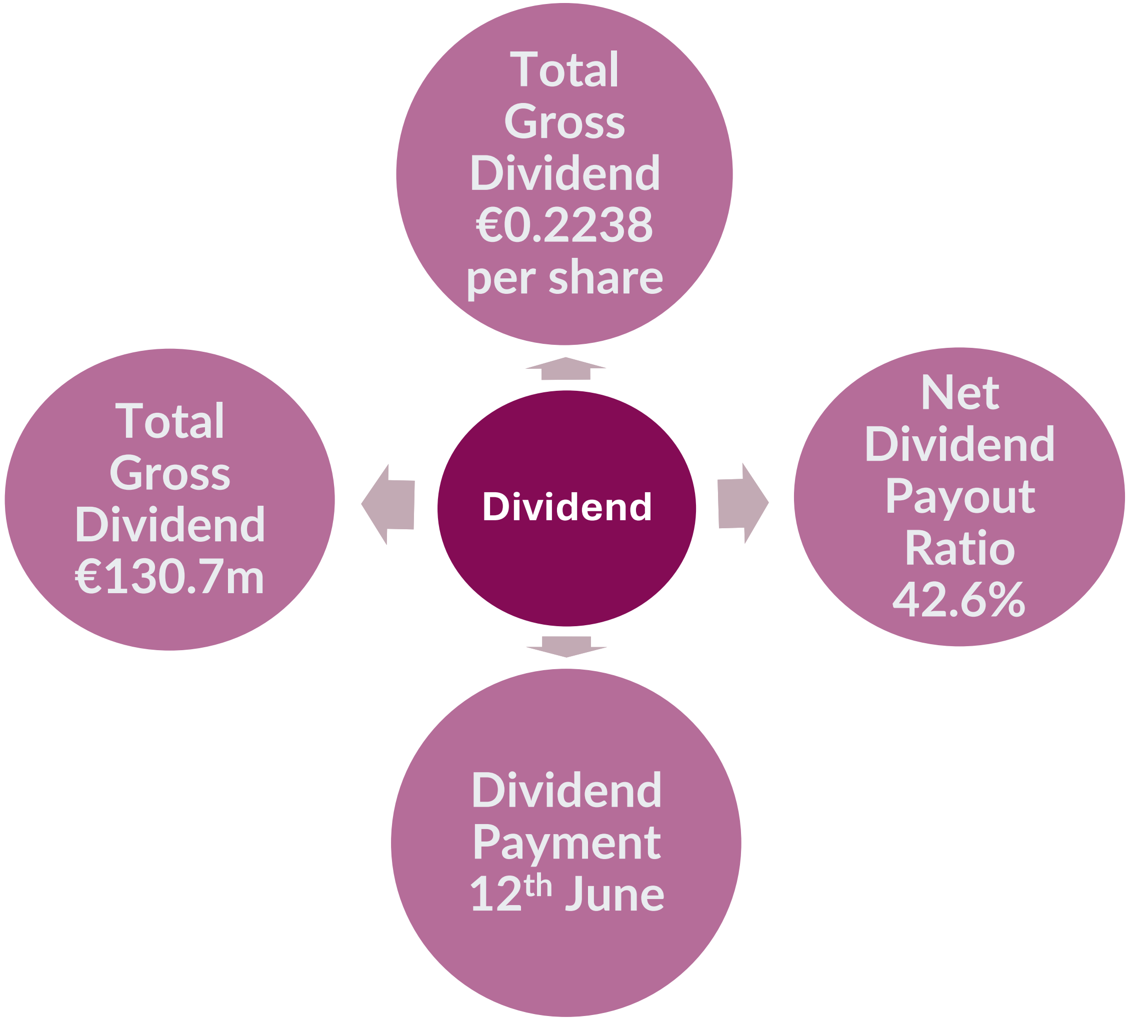
Key Highlights - Financial Year 2024

Strong Financial Performance

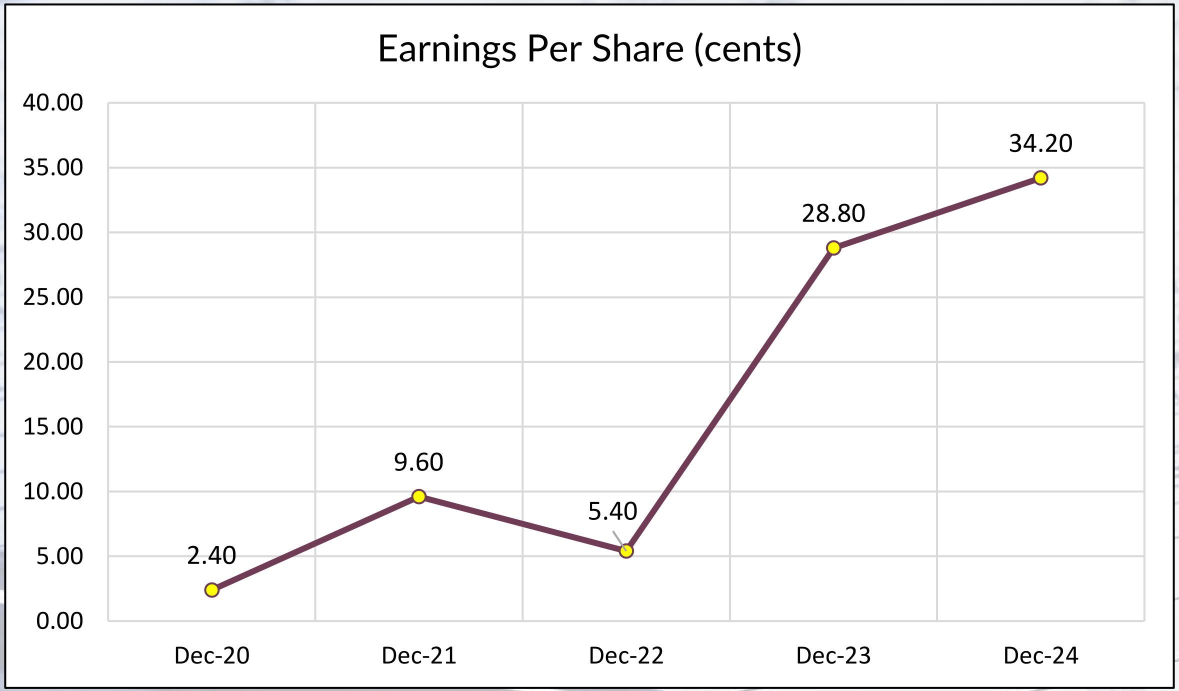
Key Highlights FY 2024 – Strong Financial Performance

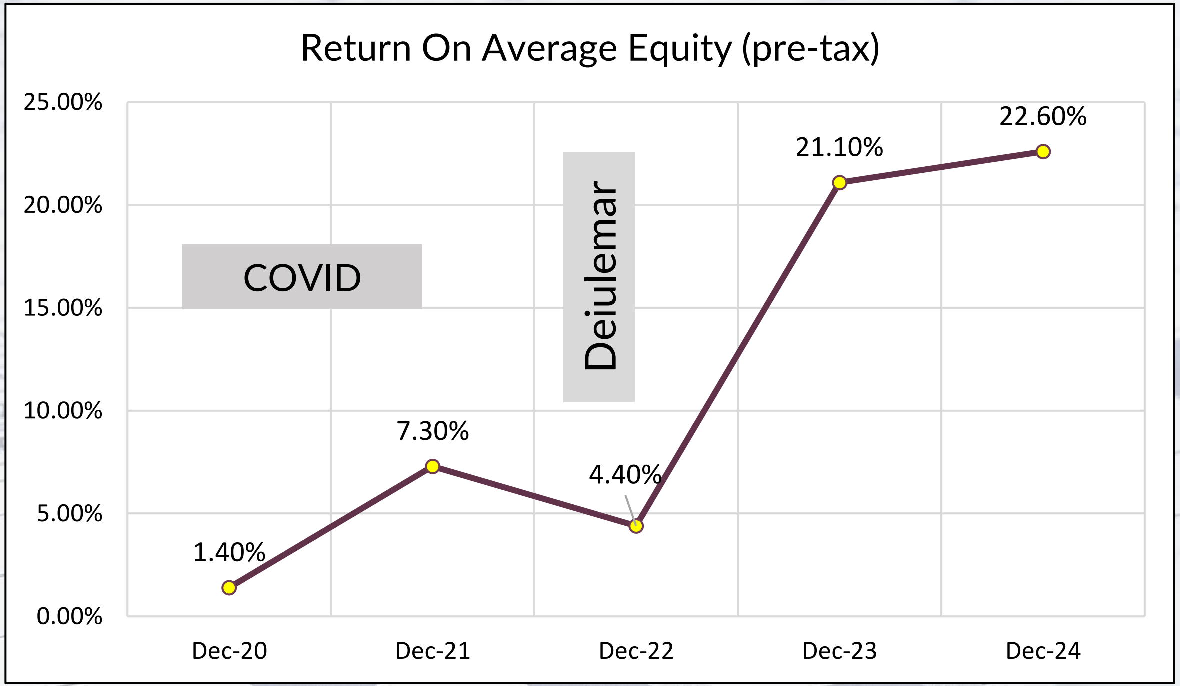
Record high income and profits for FY 2024

- Profit Before Tax increased to €302.4 million
- Return on Average Equity (after tax) 14.9%
- Share price increased from €0.92 in 2020 to €1.72 at end 2024 – currently around €2
- Balance Sheet increased by €600 million



Key Highlights FY 2024 – Strong Financial Performance





BOV Within The Context of Malta

Services over 19,700 Shareholders

Services over 340,000 personal customers

Services over 17,000 non-personal customers

Plays a key role in supporting the Maltese economy

BOV Within The Context of Malta

Bank of Valletta

In 2024 economic conditions in Malta were favourable

Benign economic prospects offer good support in the eventuality of negative effects from the ongoing geopolitical tensions

Robust expansion in GDP reduced the fiscal deficit

The monetary policy easing cycle is close to its end, and this is likely to be followed by a period of stable rates

Normalisation of economic growth

BOV Within The Context of Malta

Households continue to benefit from interest rate stability, as rates in Malta remain the lowest across the euro area

Residential property demand remains strong - property prices consistently increased by around 6% per annum - higher property prices supported by economic fundamentals

Inflation rate in line with ECB target

Historic low unemployment rate

Early figures for 2025 suggest that new records are likely to be set in tourism

Initiatives to Strengthen Shareholder Value

Initiatives to Strengthen Shareholder Value

Dividend

- Total Gross Dividend for the Year: **€0.2238 per share**.
- Total Gross Dividend for the Year: **€130.7 million**.
- Net Dividend Payout Ratio: **42.6%**.

Bonus Issue

- The Board is recommending a bonus share issue of **one (1) share for every ten (10) shares held**.

Share Buyback*

- Proposal for a Share Buyback initiative to increase the liquidity of the Bank's equity instrument in the market, **without cancelling shares**.

Bond Issue

- Further issuance of Notes (Tranche 2) out of the Euro Medium Term Bond (EMTB) programme.

** Share Buyback subject to regulatory approval*

Dividend - Policy Process Criteria

Affordable in terms of profit

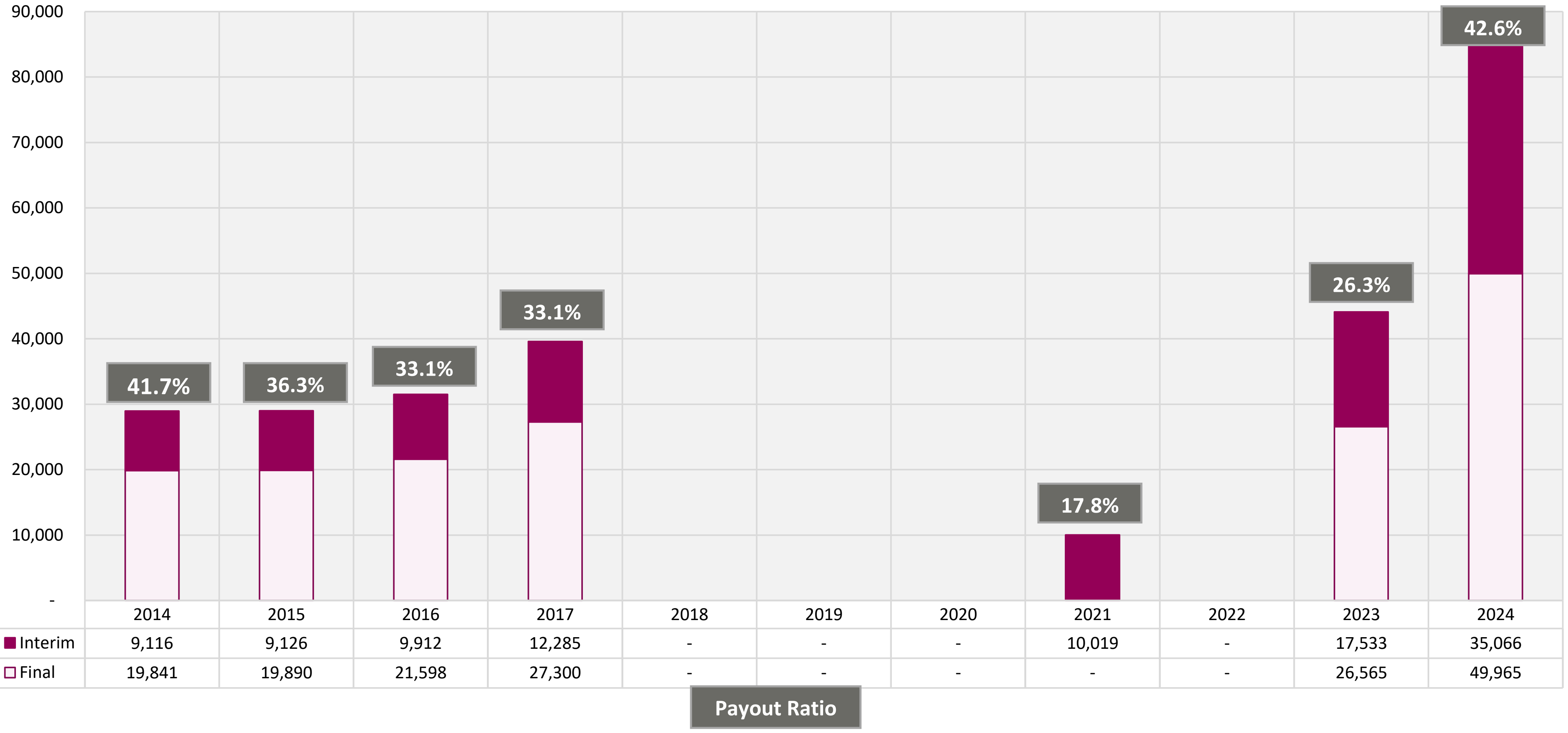
Regulatory requirements for capital management

DIVIDEND

Fair and reasonable expectations of shareholders

Capital retention for future business growth

Dividend - Highest Payout over a 10-Year Period



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Interim	9,116	9,126	9,912	12,285	-	-	-	10,019	-	17,533	35,066
Final	19,841	19,890	21,598	27,300	-	-	-	-	-	26,565	49,965

The Dividends with respect to the FY 2024 are the highest dividends ever paid.
Represent a 42.6% Payout Ratio and are nearly 3x the dividends paid with respect to FY 2014.

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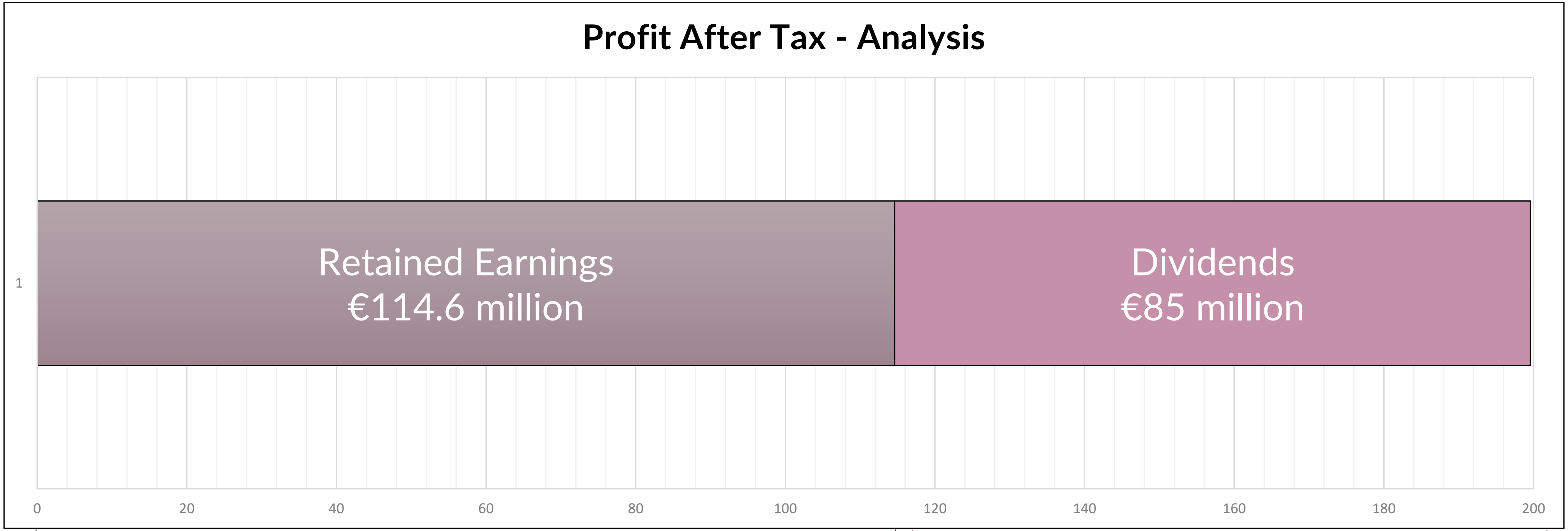
Dividend - Payout Supportive of Future Growth Ambitions



Retention of 57.4% of Profit After Tax to sustain future growth

Whilst paying the largest amount of dividend in history back to shareholders

Bonus Issue - the Bank will be issuing a bonus of **1 share for every 10 shares held**. The bonus issue will:

- Be funded by a capitalisation of reserves amounting to **€58.4 million**.
- Provide an **additional potential source of liquidity** to shareholders.
- Strengthen the Bank's **non-distributable capital**.

Share Buyback - Supporting the Liquidity of the Bank's Equity

- Share Buyback* initiative **aims to increase the stock liquidity** and the trading in Bank of Valletta shares.
  - BOV will be **facilitating the trading** of BOV Shares on the Malta Stock Exchange.
  - BOV will stand ready to buy on the Malta Stock Exchange **reasonable amounts of shares offered at market price**, which are not taken up by other buyers.
  - This is a **voluntary programme** and no shareholder shall be required to sell its shares to the Bank.
  - BOV will **not be displacing other buyers** from the market.
  - Shares will **not be cancelled**.
- This initiative **ensures transparency and market integrity**.

** Share Buyback subject to regulatory approval*

Share Buyback - Framework

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- Share Buyback* Intentions:
  - Repurchase and acquire from any shareholder(s) up to **2,800,000 shares** out of the issued and paid-up share capital of the Company.
  - Shares will **not be cancelled**.
  - Hold for re-sale, all or any number of the shares so acquired, or to utilise the acquired shares to distribute them, in line with the Bank's applicable distribution policies.

Maximum number of shares to be repurchased over 12 months	**2,800,000 shares (before bonus issue)[1]**
Reserve (maximum amount allocated to the buyback program by the Bank)	**€7,840,000**
Price range within which the program may trade (Min and Max Price)	**€1.70 - €2.80 (before bonus issue)[2]**
Period for which authorisation for the program has been given (duration and timing)	**18 months**

1. Proportionately adjusted to 3,060,000 shares if Resolution 4 is approved
2. The trade range would be proportionately adjusted to €1.55 - €2.55 if Resolution 4 is approved

** Share Buyback subject to regulatory approval*

Bond Issue: Supporting Future Growth Ambitions

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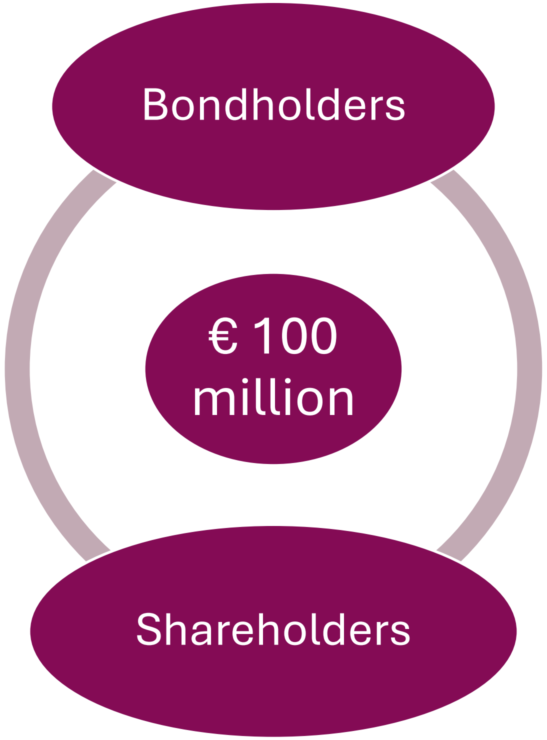
- November 2024 - highly successful issue of €100 million bonds, which was oversubscribed and closed in two days.
- 9th June 2025 - second issuance of €100 million, with an overallotment option up to a maximum amount of €50 million in the event of oversubscription.
- Coupon rate 5% per annum.
- Allocation:
  - 50% - shareholders, bondholders and BOV staff;
  - 35% - professional and institutional investors;
  - 15% - reserved for the general public;
  - Any portion of the individual planned allocations not taken up will be transferred to another allocation.



Shareholder Value

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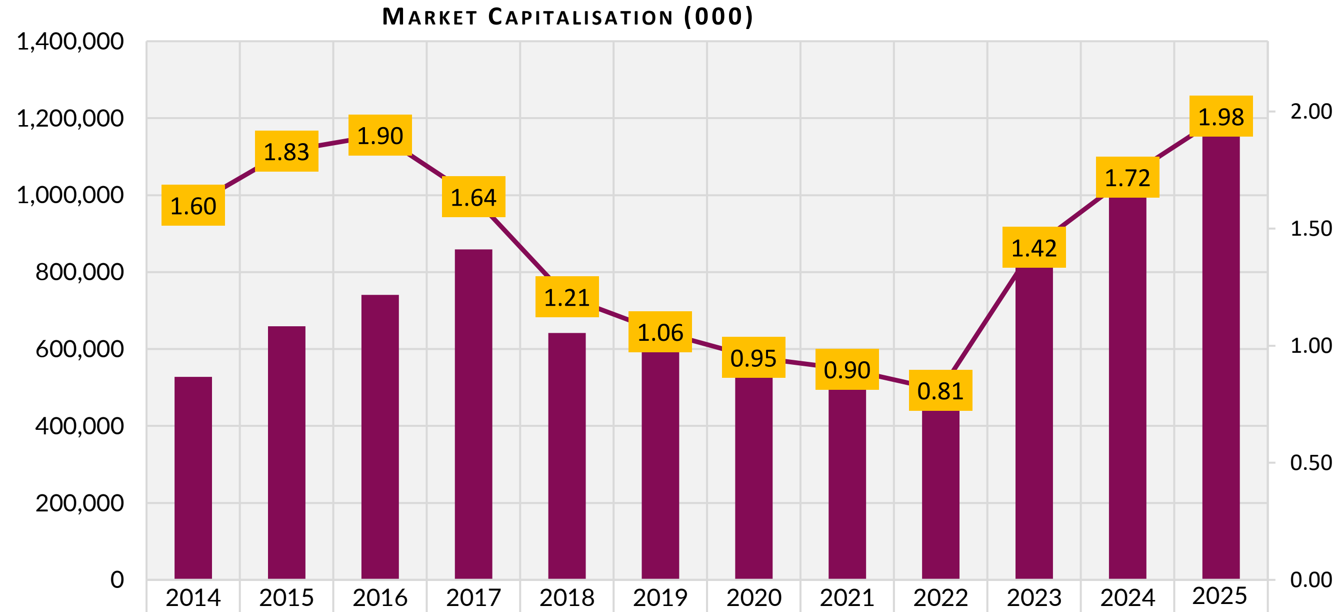

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Market Capitalisation	528,00	659,16	741,00	858,90	641,70	618,88	554,65	525,46	472,91	829,06	1,004,	1,156,
Share Price (Rebsased)	1.60	1.83	1.90	1.64	1.21	1.06	0.95	0.90	0.81	1.42	1.72	1.98

Since 2020, shareholder value has increased by €525m, of which:

- Dividends: €139m
- Increase in share value: €386m

Bank of Valletta's share price 2025 is that as of 21 May 2025

Concluding Remarks
Future Proofing Our Results

Forward-Looking Statements

1. **Sustaining The Economy:** Act as a market leader in sustaining the economy through the provision of high-quality lending to both commercial and retail customers, consistent with its ESG commitments.

2. **Dynamic Balance Sheet Management:** Take a proactive approach towards balance sheet optimisation, including rebalancing of capital structure, with a view to optimising returns and profitability over the longer term.

3. **Revenue Diversification:** Strengthen the Bank's net fee and commission income through existing lines of business and new areas of business.

MAPFRE MIDDLESEA

MAPFRE MSV Life

4. **Digitalisation:** Continue our ambitious program to digitalise processes, providing a broader and improved service offering to customers across channels.

5. **Risk Management:** Ensure that risk and compliance are embedded in the business and operational model, to ensure full adherence to regulatory requirements.

6. **Shareholder Value:** Balance long-term growth requirements, distribute sustained and sustainable dividends when possible and contribute to market liquidity of listed instruments.

7. **Corporate Social Responsibility:** Remain a model corporate citizen, support the vulnerable and safeguard Malta's heritage for future generations.

Forward-Looking Statements

BOV Bank of Valletta

- **Increasing Engagement:** The Bank is publishing forward-looking projections to increase transparency and engagement with current and prospective shareholders.
- **Financial Results and Projections:** The Bank is well-positioned to achieve a Profit Before Tax in the range of €200 - €250 million for FY2025.
- **Shareholder Value:** The Bank remains focused on providing shareholders with sustained and stable returns, targeting a maximum distribution of 50% of FY 2025 profits.
- **Strong Capital Structure:** The Bank continues to maintain high capital and liquidity buffers while adopting a proactive balance sheet management approach to optimise income and profitability levels.

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Thank You

A Strong and Sustainable Bank

“Navigating from good to great”

Kenneth Farrugia
CEO

1. Financial Performance and Market Position
2. Business Highlights & Key Strategic Initiatives
3. Closing Remarks

Financial Performance & Market Position

FY 2024: Key Highlights

FY
2024

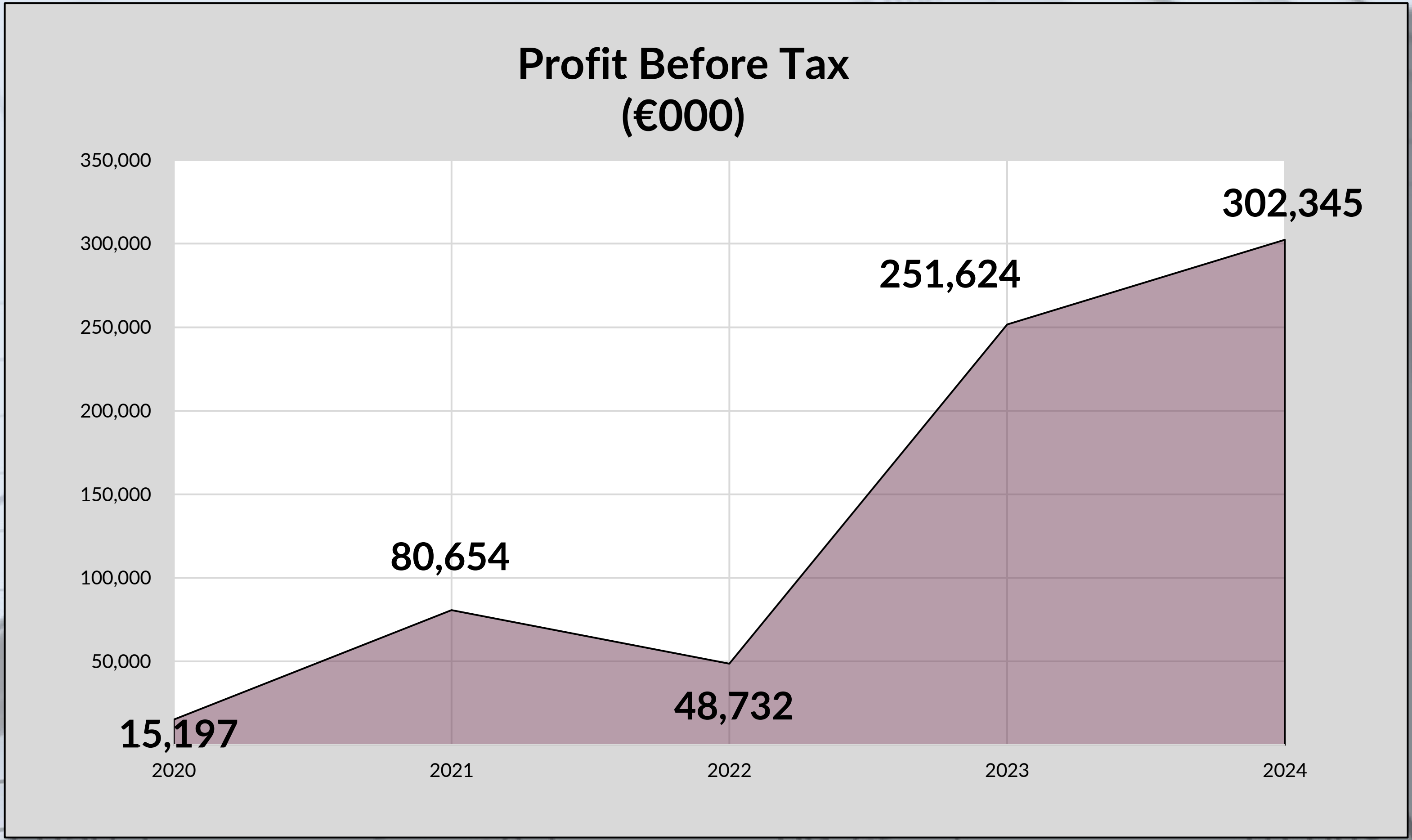
Profit Before Tax:
€302.4 million

Highest Dividend Payout:
€130.7 million (gross)

Strong results recognised by International Credit Rating Agencies

FY 2024: Strong Financial Performance

Profit Before Tax of €302.4 million **+>20.0%**



Operational Revenues: Robust Core Operations

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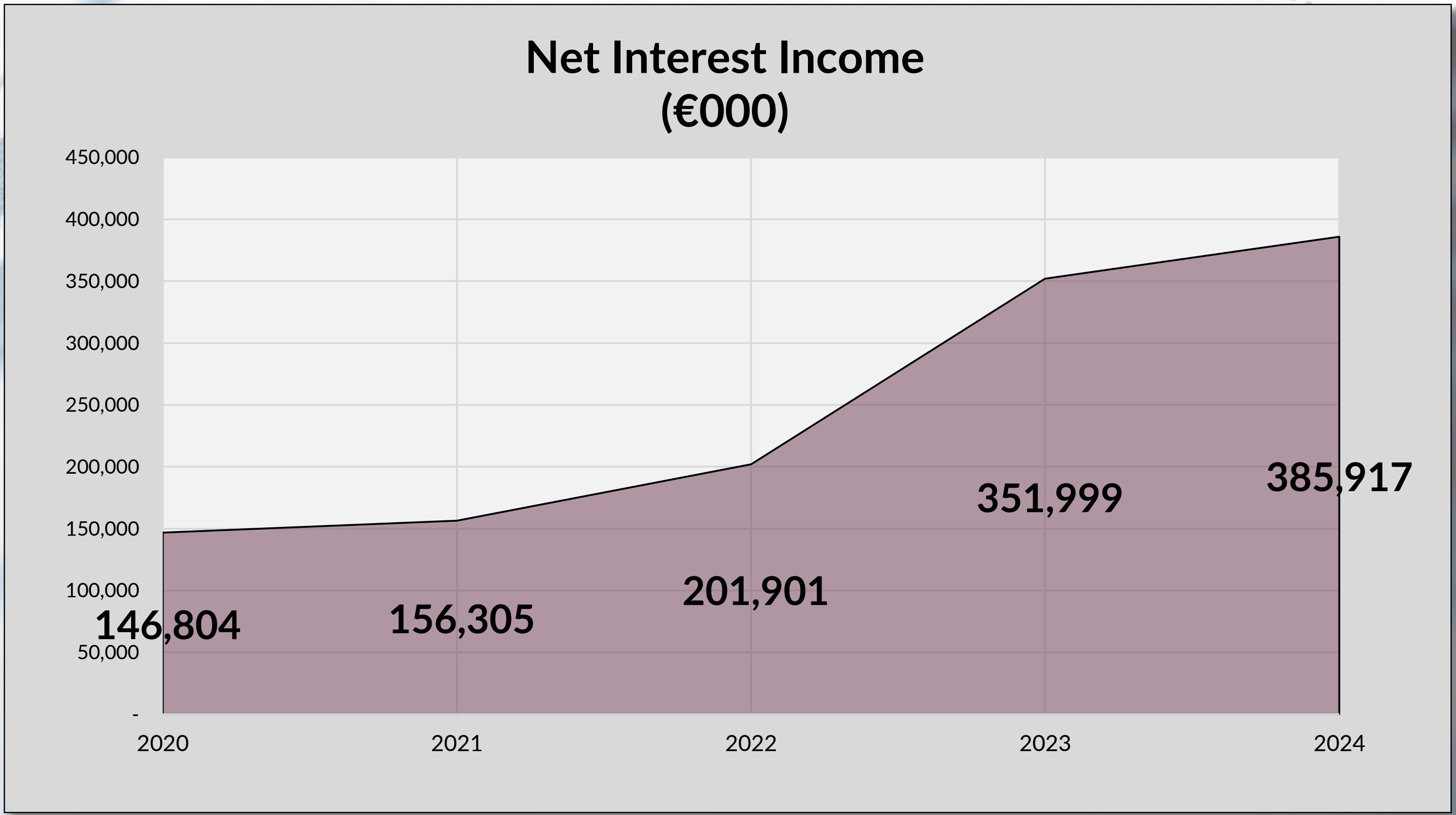
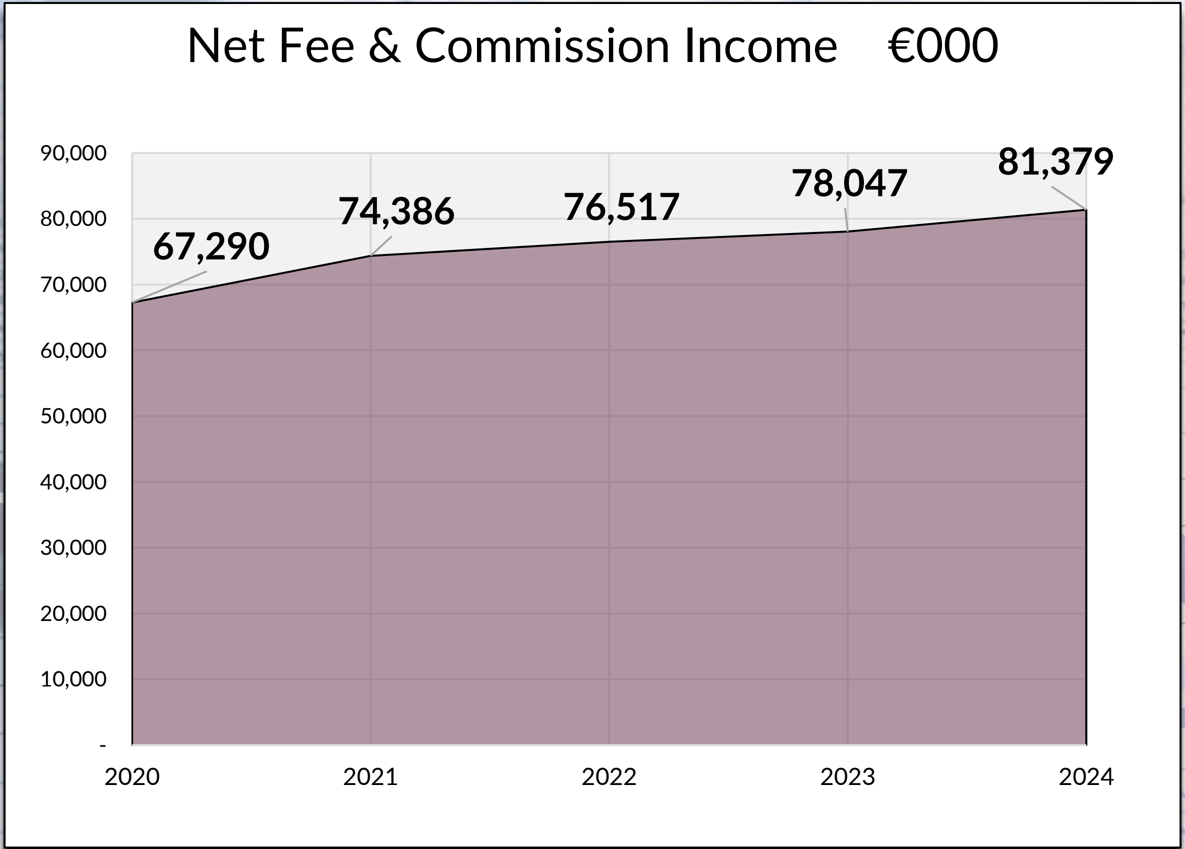
Net Interest Income: €385.9 million +>9.6%

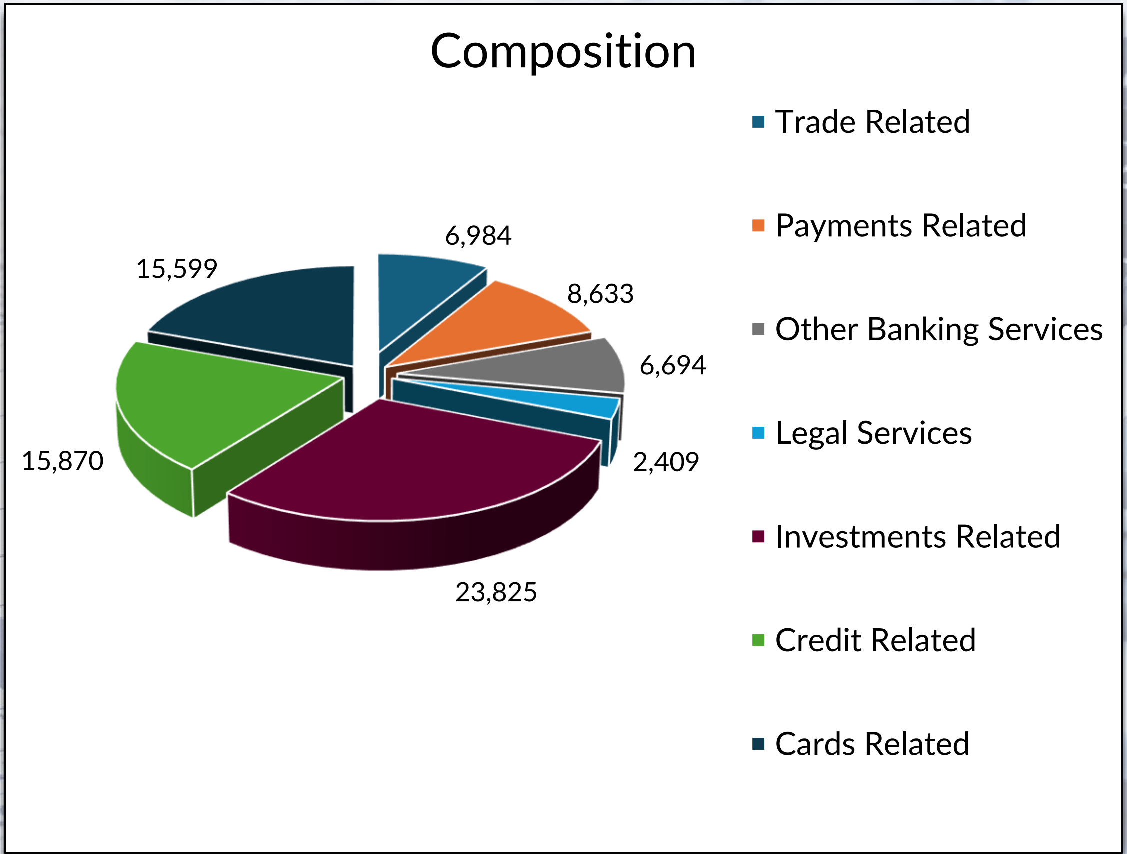


Operational Revenues: Robust Core Operations

Bank of Valletta

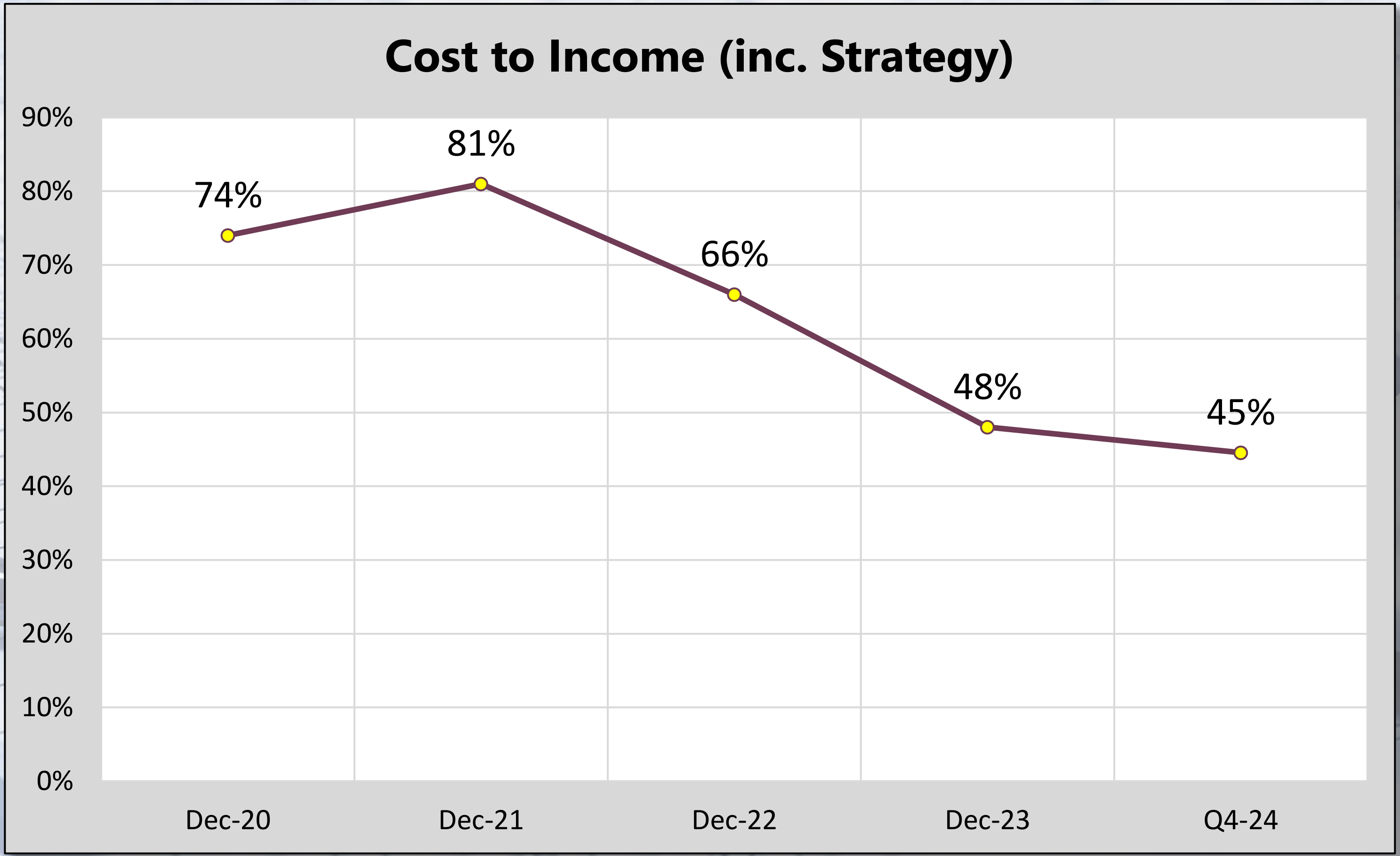
Net Fee and Commission Income: €81.3 million +>4.2%





Cost Efficiency: A Core Competitive Advantage

Cost to Income Ratio: 44.6% **-<3.2%**



FY 2024: Strong Financial Performance

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	2024	2023	YOY, %
Profit Before Tax	€302.4 million	€251.6 million	▲ +>20.2%
Gross Operating Profit[1]	€269.1 million	€230.1 million	▲ +>16.9%
Return On Average Equity[2]	22.6%	21.1%	▲ +>1.5%
Loan to Deposit Ratio	54.5%	51.7%	▲ +>2.8%
Cost to Income Ratio[3]	44.6%	47.8%	▼ -<3.2%

1. **Gross Operating Profit:** Operating Income – Operating Costs (before impairment)
2. **ROAE:** Calculated on a before tax basis
3. **Cost-to-Income Ratio:** Includes all costs including strategic investments

FY 2024: Strong Financial Performance

BOV Bank of Valletta

Net Interest Income

+9.6% YOY

€352m FY2023 to €386m FY2024

Total Net Fee and Commission

+4.2% YOY

€78m in FY2023 to €81m FY2024

FY 2024: Strong Financial Performance

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Assets increased
from €14.5bn to €15.1bn

Loans and Advances
+11.2% YOY
+€701m to €6.98bn

Credit Finance	Growth (€ - Millions)	Growth (%)	Market Share (%)
Total Credit Finance	+ €701	+ 11.2%	44.3%
Business Finance	+ €215	+ 7.1%	49.4%
Home Finance	+ €442	+ 14.9%	39.8%
Personal Finance	+ €44	+ 15.4%	51.1%

Deposits	Growth (€ - Millions)	Total Balance Sheet Amount (€ - Billions)
Customer Deposits	+ €652	€12.8
Business Deposits	+ €200	€8.4
Retail Deposits	+ €452	€4.4

Credit Financing: Growing Market Share Across Segments

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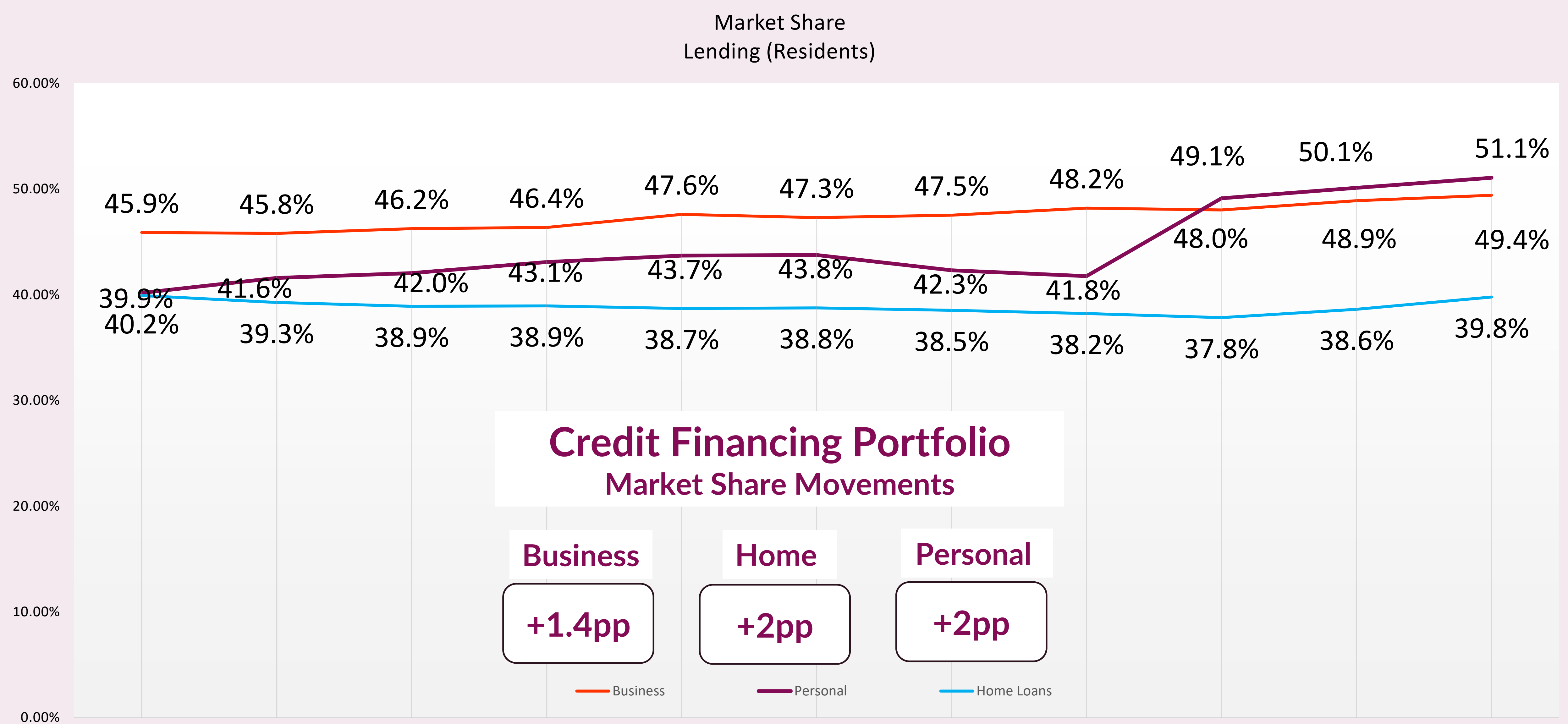
Material increase in market shares in both Business and Retail Lending



Business Highlights & Key Strategic Initiatives

Digital Transformation: Ready for the Present and the Future

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Product & Service Enhancements

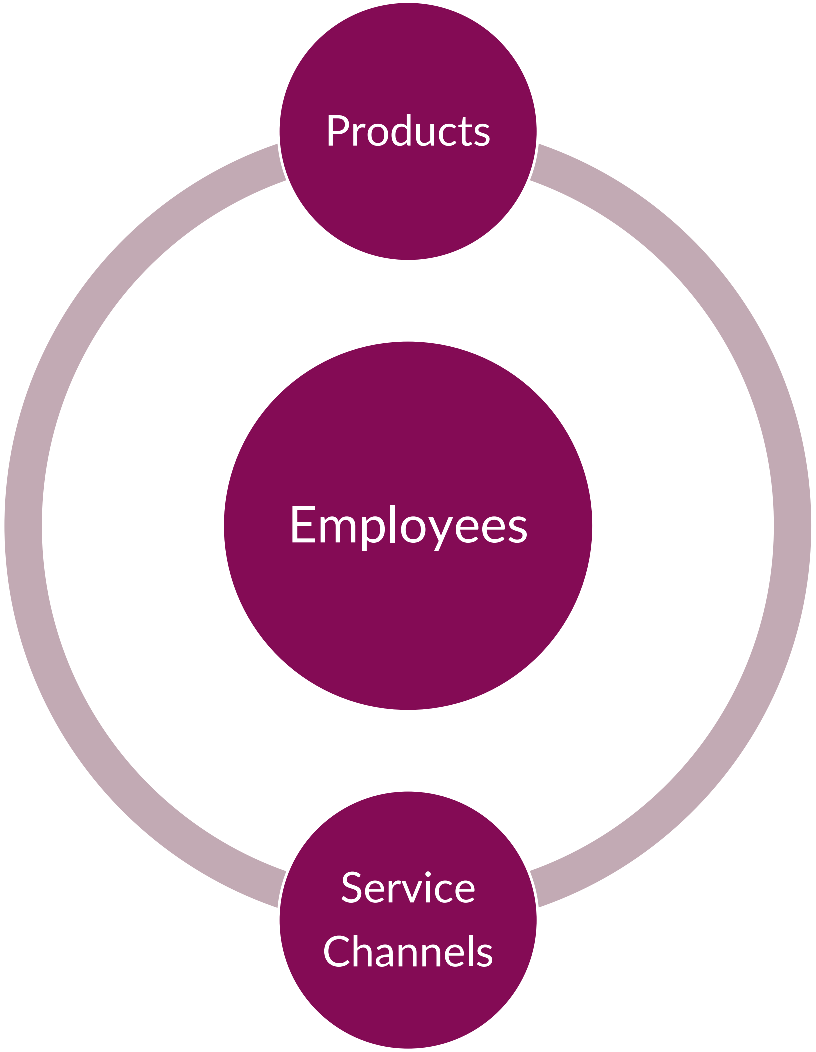
- BOV mobilePos
- Digital Signatures
- ATM Upgrades
- SEPA Instant Payments
- New Internet & Mobile Banking

BOV SmartPay

Process Enhancements

- Cybersecurity Detection
- Customer Education Programs
- Website & Appointment System
- Business Process Automation
- Social Media Expansion

Customer Centricity: An Organisation-Wide Approach



Enhancing the Onboarding Experience

Embedding Customer Centricity in Product & Service Journeys

Customer Reachout Initiatives

CX Champion & CX Surveys

Extensive Staff Training Program

CX Week & CX Conference

Renovated Branches

Financial Well-Being Centre

Branch Service Enhancements

ESG: Embedding Sustainability in our Business and Operations

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- Reduction in CO_2 Emissions
- Waste Reduction Program
- Environment Volunteering Initiatives
- Green Lending and Investment Products
- Education Program on ESG for Bank’s Commercial Customers

Corporate Social Responsibility: A Giving Back Culture

Sports

Community and Heritage NGOs

Social and Cultural

Environment

Closing Remarks

Strong Results: Domestic & International Recognition

BOV Bank of Valletta

- 2 Malta Business Awards
- MSE Annual Award

- FHRD Quality Mark

- Fitch and S&P Ratings Upgrade

- Correspondent Banking Onboarding by BNY

Future Ready: Pioneering Innovation and Growth

Digitalisation

Revenue Diversification

Risk Management

ESG & Corporate Social Responsibility

CX-Centered Organisation

Shareholder Expectations

Acknowledgements

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To Our Shareholders:
Thank you for your ongoing trust in our Bank.

To Our Clients:
Thank you for your continued custom. We are striving to serve you better every day.

To Our People:
Thank you for your dedication, commitment and engagement as we move from good to great.

To Our Board of Directors:
For the strategic guidance and steer.

To Our Regulators:
Thank you for contributing to the journey of our Bank.

Bank of Valletta

Thank You

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RESOLUTIONS

Annual General Meeting 2025

29th May 2025

Resolution 1

Annual Report and Accounts

Resolution 2

Auditors
(Appointment and Remuneration)

Resolution 3

Dividend

Resolution 4

Changes in Share Capital

Resolution 5

Authorisation for Directors to participate in allotment of new equity or debt securities

Resolution 6

Directors’ Remuneration

Resolution 7

Directors' Remuneration Report (Advisory Vote)

Resolution 8

Share Buyback (non-cancellable) Programme

Appointment of Directors

Appointment of Directors

BOV Bank of Valletta

GORDON CORDINA	CHAIRPERSON & NON-EXECUTIVE DIRECTOR
KENNETH FARRUGIA	EXECUTIVE DIRECTOR
ANITA MANGION	NON-EXECUTIVE DIRECTOR
DIANE BUGEJA	NON-EXECUTIVE DIRECTOR
INGRID AZZOPARDI*	NON-EXECUTIVE DIRECTOR
DEBORAH SCHEMBRI	NON-EXECUTIVE DIRECTOR
SUE VELLA*	NON-EXECUTIVE DIRECTOR
NICOLA ANGELI	NON-EXECUTIVE DIRECTOR
ROBERT SUBAN	NON-EXECUTIVE DIRECTOR
ANATOLI GRECH	EXECUTIVE DIRECTOR
CHRISTIAN BONNICI WEST	NON-EXECUTIVE DIRECTOR
JONATHAN SPITERI	NON-EXECUTIVE DIRECTOR
HADRIAN SAMMUT	NON-EXECUTIVE DIRECTOR

**Director's Appointment is subject to regulatory approval.*
Appointment date shall be deemed to be the date of receipt of regulatory approval.

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