



Banco Montepio

**EARNINGS PRESENTATION
1H2024**

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1

Executive Summary

Business performance support record half-year results and capital ratios



PROFITABILITY

- **Consolidated net income of €68.7Mn**, an all-time high for a six-month period, based on the:
 - ✓ **increase in operating income to €255.1Mn, (+11.1% YoY)**, with net interest income rising €4.2Mn (+2.2% YoY)
 - ✓ **reduction in Impairments and provisions to €13.8Mn (-11.6% YoY)**



CAPITAL

- **Capital Ratios (fully implemented) at levels never seen before**
 - ✓ **CET1 ratio 16.1%** (+1.7 p.p. YoY)
 - ✓ **Total Capital ratio 19.4%** (+2.3 p.p. YoY)



BUSINESS

- **Gross loans to Customers increased to €11.9Bn (+1.2%) YtD**, with performing loans increasing by €193Mn (+1.7%) YtD
- **Customer deposits rose to €14.2Bn, an increase of €846Mn (+6.3%) YtD**, with the Individuals segment accounting for 72% of the total
- **Penetration rate in the Social and Solidarity Economy Customer segment of 27%**, consolidating the strategy of continuous specialised monitoring of this segment as a differentiating pillar
- **Customers using the Montepio24 service** (internet and mobile banking) increased by 5.4% YoY, with the number of transactions carried out increasing by 12.8% YoY

Liquidity and asset quality consolidate positive trend



LIQUIDITY

- **Liquidity buffer of €5.6Bn**, reflecting a comfortable liquidity position
 - ✓ **LCR: 219.3%**
 - ✓ **NSFR: 135.4%**
- **No exposure to ECB funding, with a reduction of €855Mn in the 1Q2024**, including early repayments totalling €55Mn



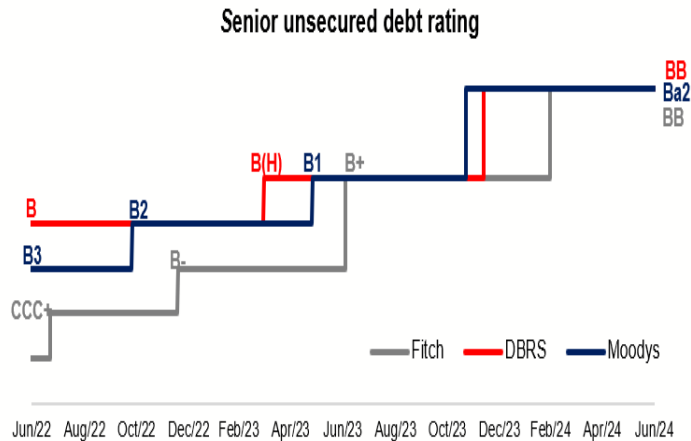
ASSET QUALITY

- **Cost of credit risk** of 0.1%, in line with the first half of 2023
- **NPE reduced by €201Mn (-38%) YoY**, to a total of €330Mn, with an **NPE ratio of 2.8%**, compared to 4.5% recorded on 30 June 2023
- **NPE ratio, net of total impairments for credit risk, at 0.8%**
- **NPE coverage by total impairments for credit risk at 72.2%** (113.4% if related collateral and financial guarantees are considered)
- **REO exposure reduced by €102Mn (-31%) YoY** to €231Mn, representing 1.3% of net assets and 15.4% of own funds

The progress made has been recognised by the rating agencies through successive rating upgrades



RATING



FitchRatings
 (▲+6 notches)

MORNINGSTAR | DBRS
 (▲+3 notches)

Moody's
 (▲+4 notches)

- ❖ **Fitch Ratings** - The rating on Banco Montepio's senior unsecured debt was upgraded twice in eight months by a total of four notches, most recently in February/2024 to **BB**. Fitch also upgraded the covered bond rating to **AAA**
- ❖ **DBRS Ratings** - The Banco Montepio's Long-Term Issuer Rating was upgraded to **BB** in **December/2023**, maintaining the stable trend. This was the **second consecutive upgrade** of Banco Montepio's rating by DBRS Morningstar since **March/23**, for a total of 3 notches
- ❖ **Moody's** - The Banco Montepio's senior unsecured debt rating was upgraded to **Ba2** in **November/2023**. This was the **third consecutive upgrade** since **October/2022**, for a total of four notches. The **long-term bank deposits rating** was upgraded to **Baa3** (investment grade) and the **Covered Bond rating** by two notches to **Aaa**, the highest level of investment grade

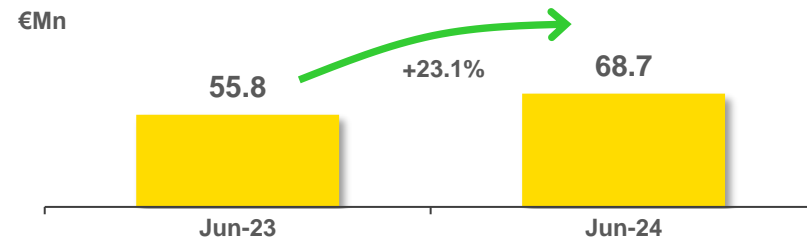
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Profitability

Consolidated net income of €68.7Mn

(Euro million)	Jun-23	Jun-24	Change YoY	
			€Mn	%
Net interest income	194.3	198.6	4.2	2.2%
Net fee and commission income	65.3	63.1	(2.3)	(3.5%)
Results from financial operations and other results	(30.1)	(6.6)	23.5	78.2%
OPERATING INCOME	229.6	255.1	25.4	11.1%
Staff Costs	77.3	77.4	0.1	0.1%
General and administrative expenses	31.4	34.6	3.2	10.1%
Depreciation and amortization	18.0	21.6	3.6	20.0%
OPERATING COSTS	126.8	133.6	6.9	5.4%
Loan impairments	8.4	7.3	(1.2)	(13.8%)
Other impairments & provisions	7.1	6.5	(0.6)	(9.0%)
Share of profit of associates under the equity method	(0.2)	(0.3)	(0.1)	(60.0%)
EARNINGS BEFORE TAX AND NON-CONTROLLING INTERESTS	87.1	107.3	20.2	23.2%
Tax	31.2	38.6	7.4	23.5%
NET INCOME FROM CONTINUING OPERATIONS⁽¹⁾	55.8	68.7	12.9	23.1%
Non-controlling interests & Profit/(loss) from discontinuing operations	(100.6)	0.0	100.6	100.0%
CONSOLIDATED NET INCOME	(48.3)	68.7	117.0	>100%

Net income (on a comparable basis)

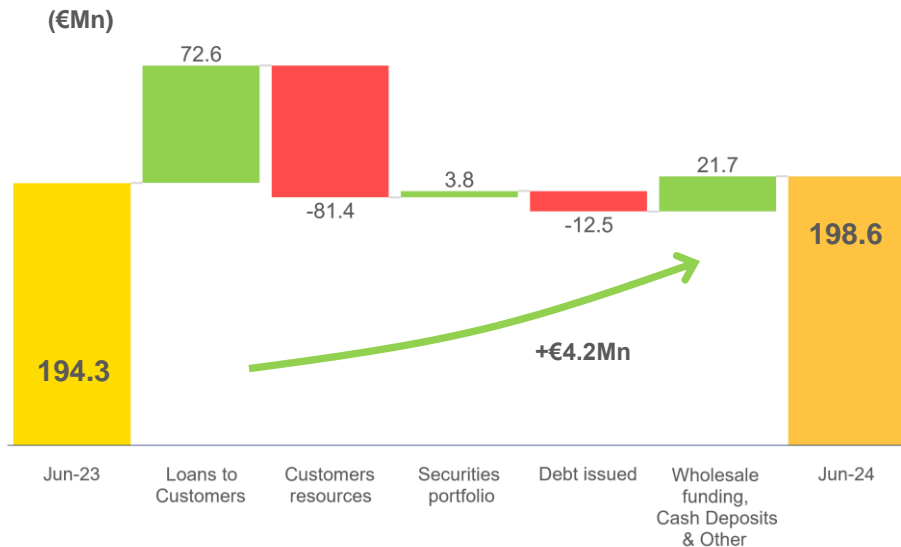


- An all-time high for a six-month period
- The favourable evolution compared to the -€48.3Mn recorded in 1H2023 (+€117Mn YoY) is based on the **increase in Operating Income (+11.1% YoY)** and the **reduction in Impairments and provisions (-11.6% YoY)**

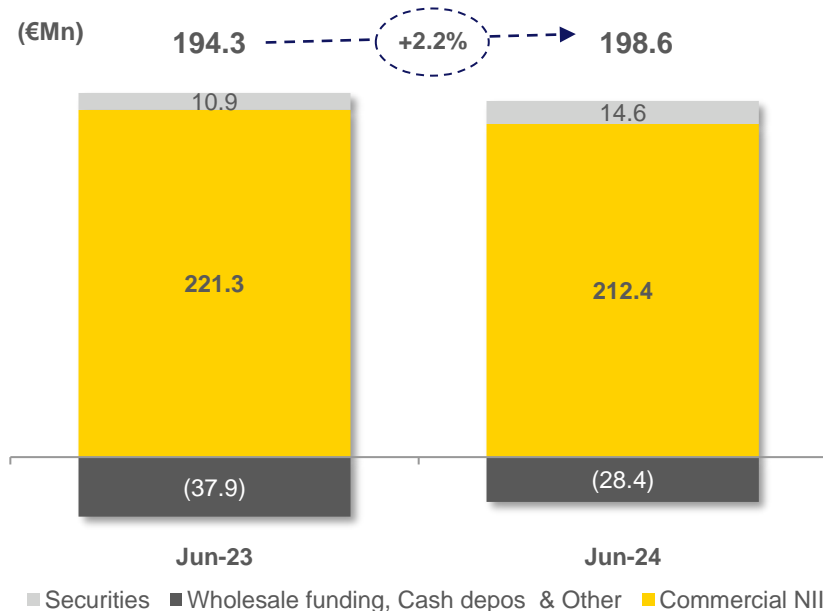
⁽¹⁾ Net income on a comparable basis, excluding the effect of the consolidation of Finibanca Angola recorded in 1H2023.

NII increased by 2.2% YoY driven by the increase in interest on loans to Customers, securities and deposits, which offset the change in interest on Customer resources and Debt issued

Net interest income YoY



Net interest income breakdown



Net interest margin

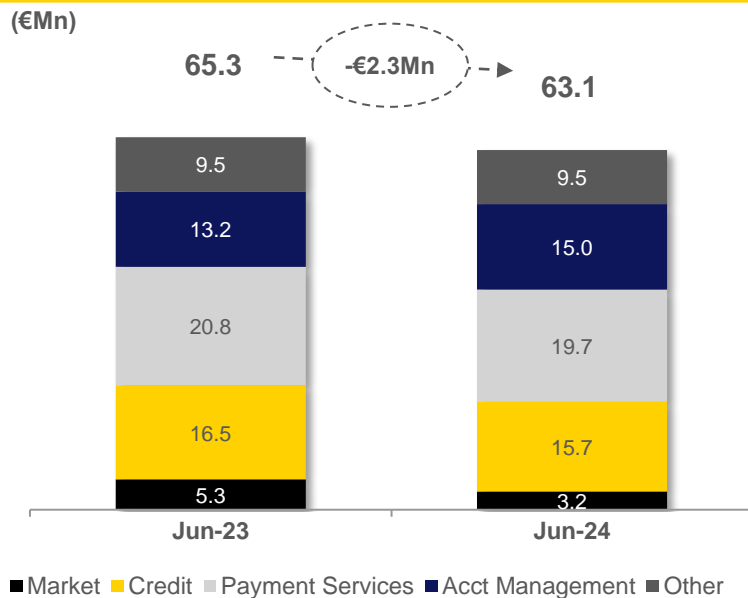
2.27%



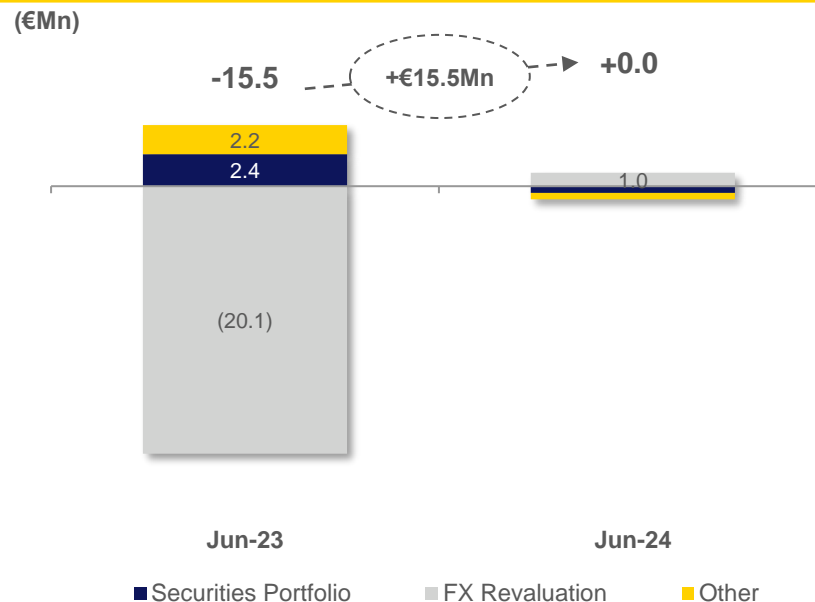
2.32%

The higher income from account management commissions was not enough to mitigate the reduction in market, payment services and credit commissions. Stable results from financial operations

Net fees and commissions



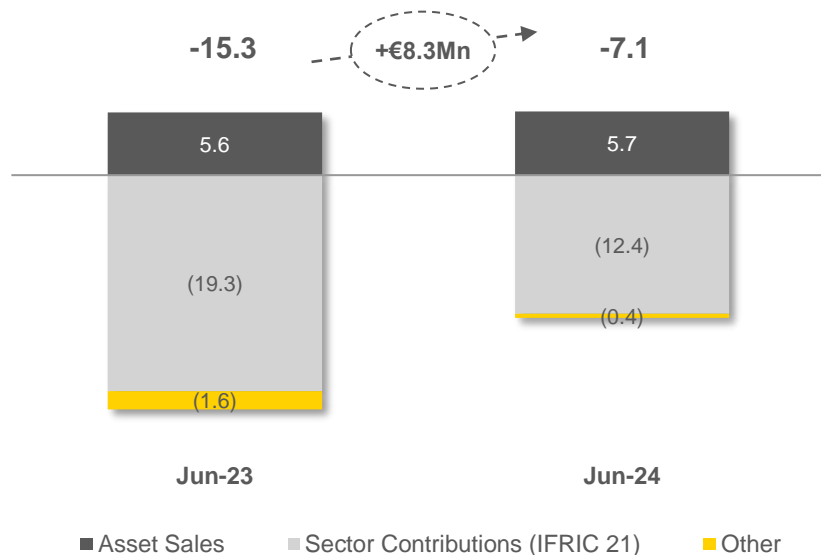
Results from financial operations



Other results were mainly driven by mandatory sector contributions.
The maintenance of low cost of credit risk was supported by the application of strict underwriting criteria and a proactive approach to loan recoveries

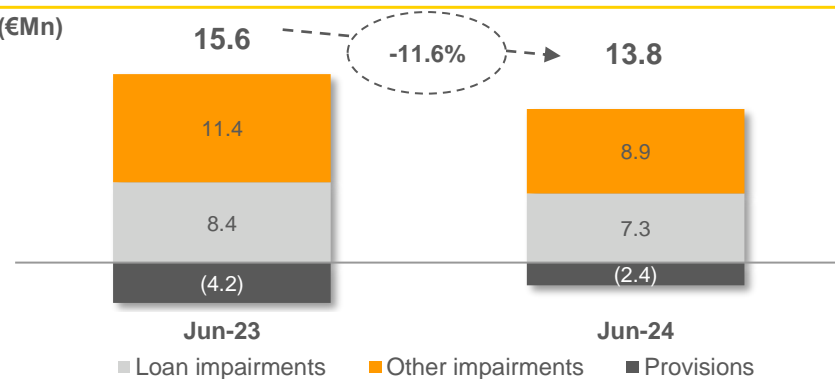
Other results

(€Mn)



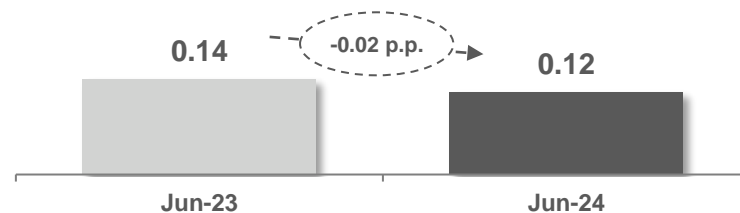
Impairments and provisions

(€Mn)



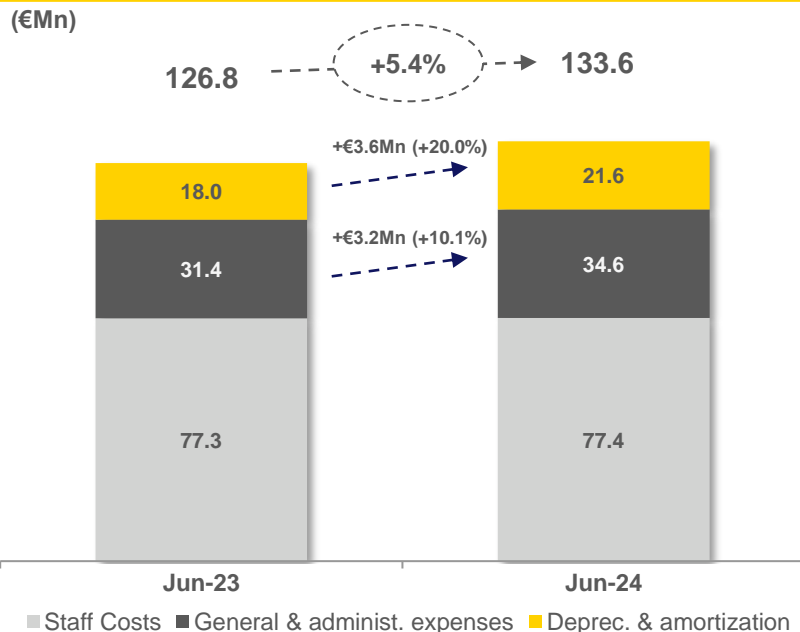
Cost of credit risk

(%)

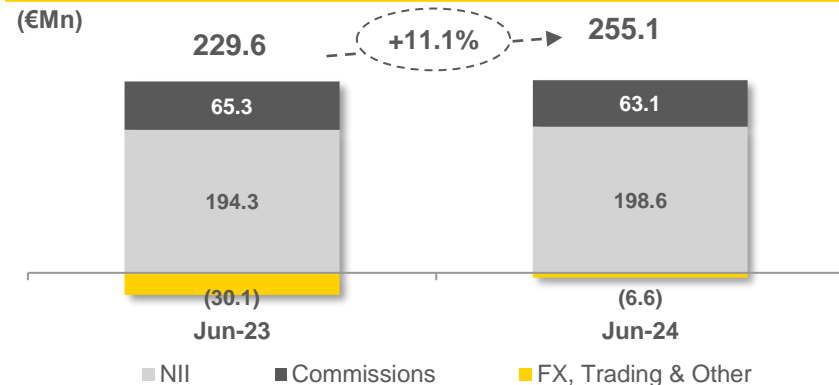


Operating costs driven by higher general and administrative expenses and continued investment in IT and digitalisation, data collection and process automation. Core operating income sets cost to income ratio at around 50%

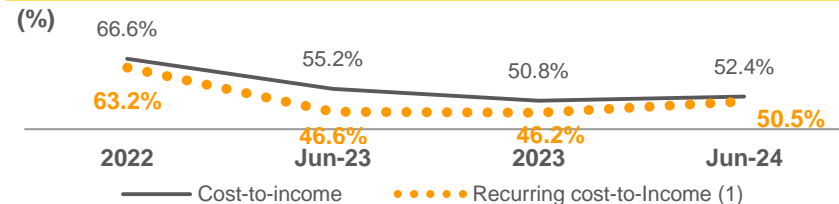
Operating costs



Operating income



Cost-to-income ratio



(1) Measured by the ratio between operating costs and operating income, excluding the results from financial operations, the other results and the non-recurring personnel costs.

3

Activity overview

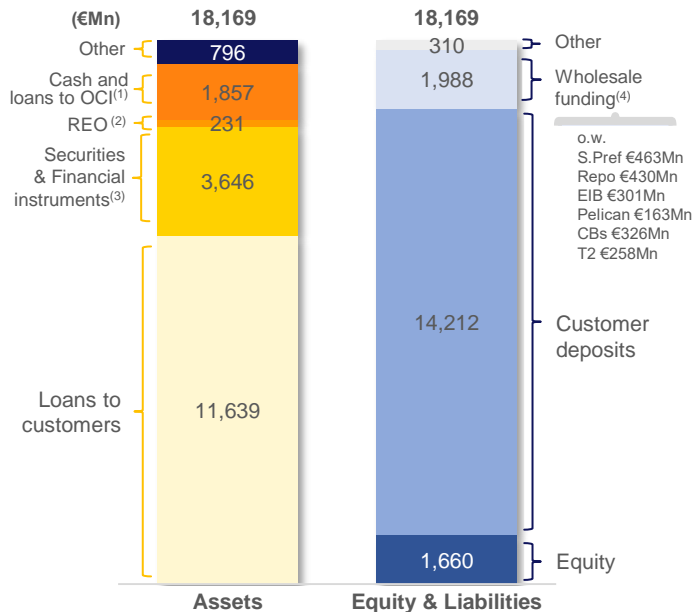
Domestic bank focused on individuals and SME, well positioned in the current macroeconomic environment

Business segments

Retail Individuals, Entrepreneurs, Micro-Companies and SME with a turnover of up to €4Mn.	 Individuals
Corporate Small, Medium and Large Companies with a turnover of more than €4Mn, Institutional and central Public Administration	 Corporate (focus on SME)
Social Economy & Public Sector Third sector entities and the local public sector	 Social Economy
	 Investment Banking

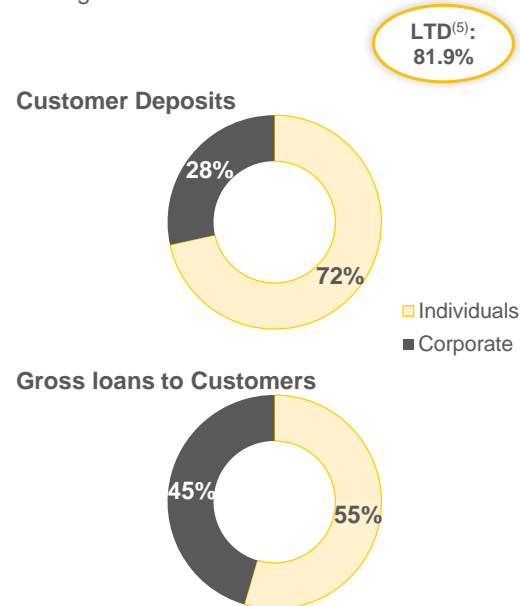
Balance sheet overview

- Eighth largest bank in Portugal by total assets



Customer deposits and loans

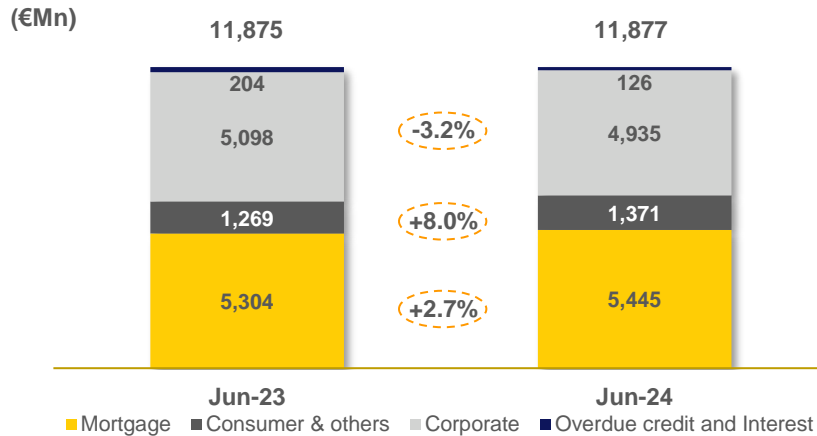
- ~5% market share for loans and deposits supported by strong customer brand recognition



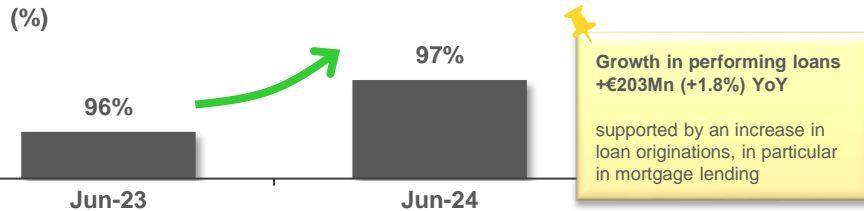
(1) Cash and loans to OCI = Cash and deposits at central banks + Loans and advances to credit institutions repayable on demand + Other loans and advances to credit institutions. (2) REO = Real Estate Owned. (3) Securities & Financial instruments = Financial assets held for trading + Financial assets at fair value through profit or loss (FVPL) + Financial assets at fair value through other comprehensive income (FVOCI) + Other financial assets at amortised cost. (4) Wholesale funding = Deposits from other financial institutions + Debt securities issued + Other subordinated debt. (5) Loans and advances to customers / Deposits from customers

Diversified loan book with low delinquencies

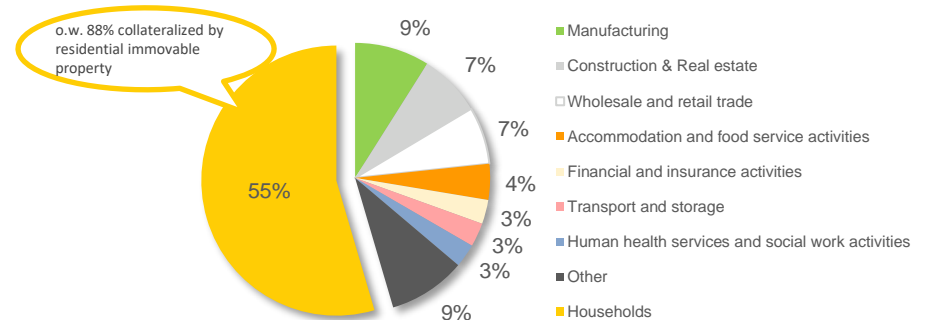
Gross loans to customers by segment



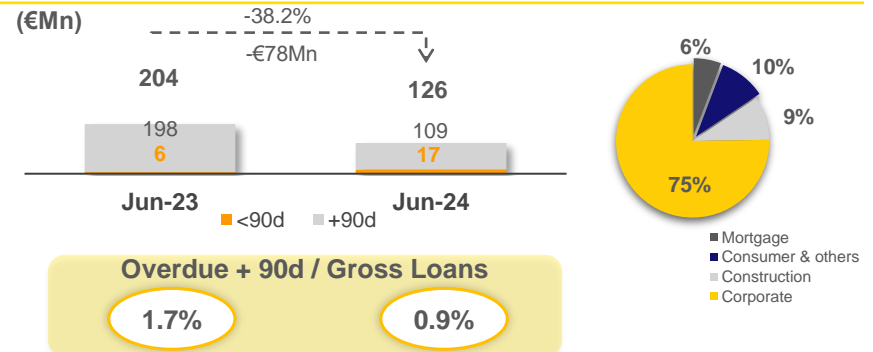
Performing loans (% Gross loans)



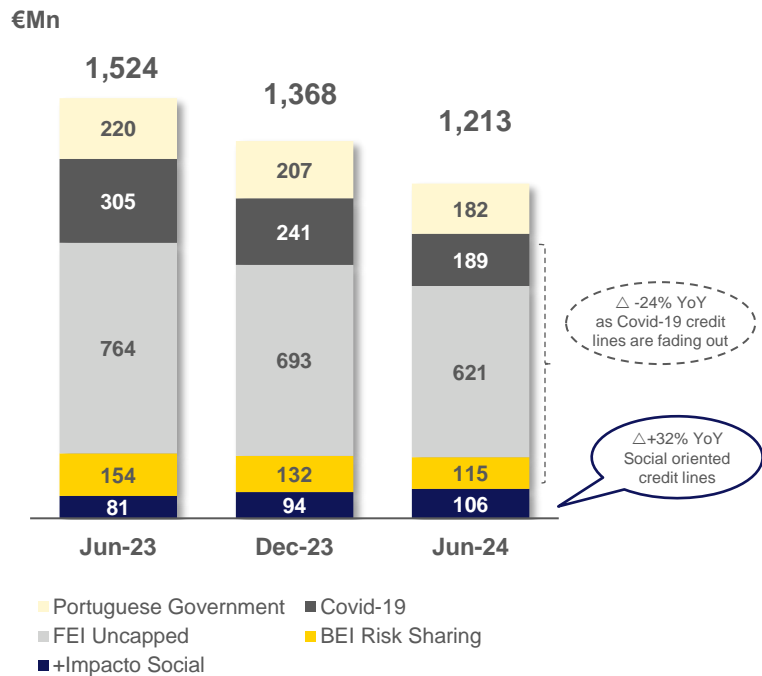
Gross loans to customers by sector (€11.9Bn)



Overdue credit and interest



Loans and advances subject to public guarantee schemes represent 22% of the corporate gross loans



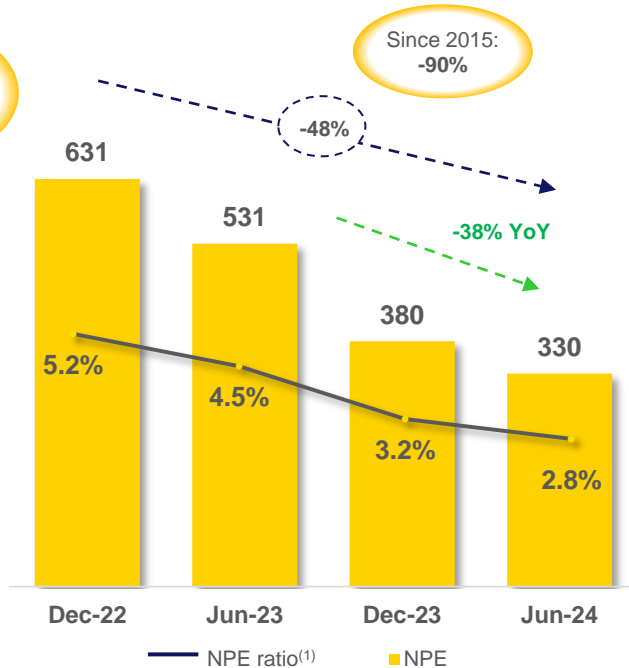
"FEI Uncapped" (EIF/EGF)	"BEI Risk Sharing" (EIB/EGF)	"+ Impacto Social" (EIF/EaSI)	PRT Govt.
Agreement signed with the European Investment Fund (EIF), supported by the Pan-European Guarantee Fund (EGF)	Risk Sharing Agreement signed by Banco Montepio and the European Investment Bank (EIB), under which the EIB provides a guarantee. This operation is supported by the Pan-European Guarantee Fund (EGF)	Banco Montepio and the European Investment Fund (EIF) signed an agreement to join the Employment and Social Innovation Programme (EaSI) . The "+ Impacto Social" credit line is a guaranteed line that allows risk sharing, between the EIF and Banco Montepio, to support financing. The line aims to support entities, that need new financing, thus promoting employment and social inclusion	Portuguese Government guaranteed
EGF was established by some EU Member States to respond to the economic impact of the pandemic outbreak of COVID-19. It was designed to support SMEs that would be deemed viable in the long term and capable of meeting the needs of a lender or other financial intermediaries for business financing, if it was not for the economic impact of the COVID-19 pandemic			
70% guarantee provided by the EIF	65% EIB guarantee	80% guarantee provided by the EIF (90% if loans originated before 30/06/2022)	70% to 80%
Micro and SMEs	Midcap and Large Corporates	Non-profit social entity or Social Economy Entities (SEE) that are Private Social Solidarity Institutions (IPSS), with Turnover or Balance Sheet less than €30M	

Continuous NPE reduction with an adequate coverage

NPE deleveraging

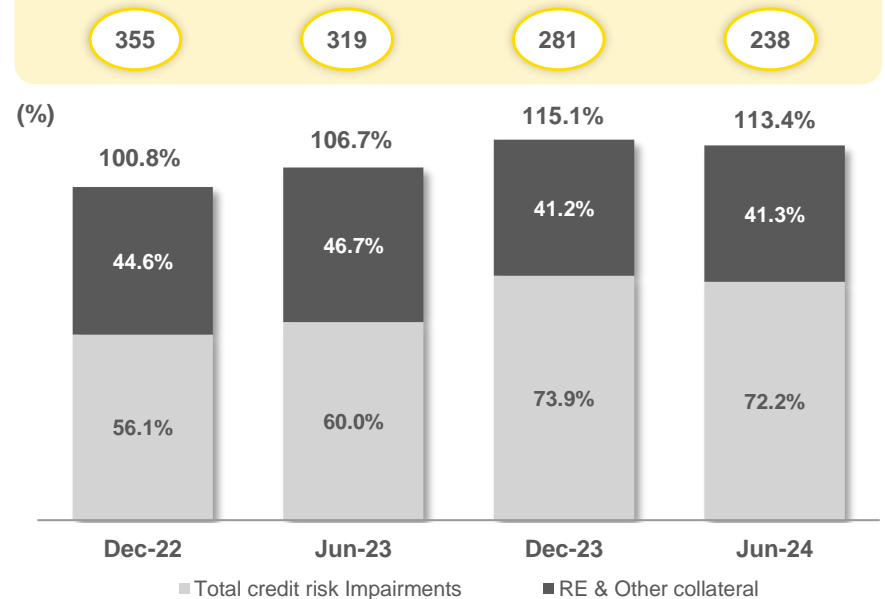
(€Mn)

Dec 2015:
€3,232 Mn
20.7%



NPE coverage by total impairments and collateral

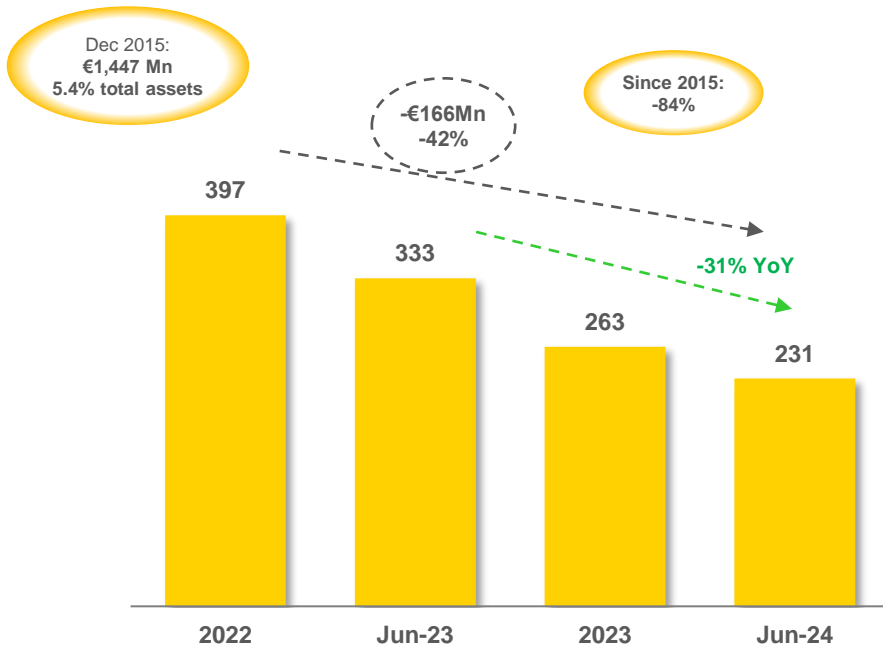
Total credit risk impairments (€Mn)



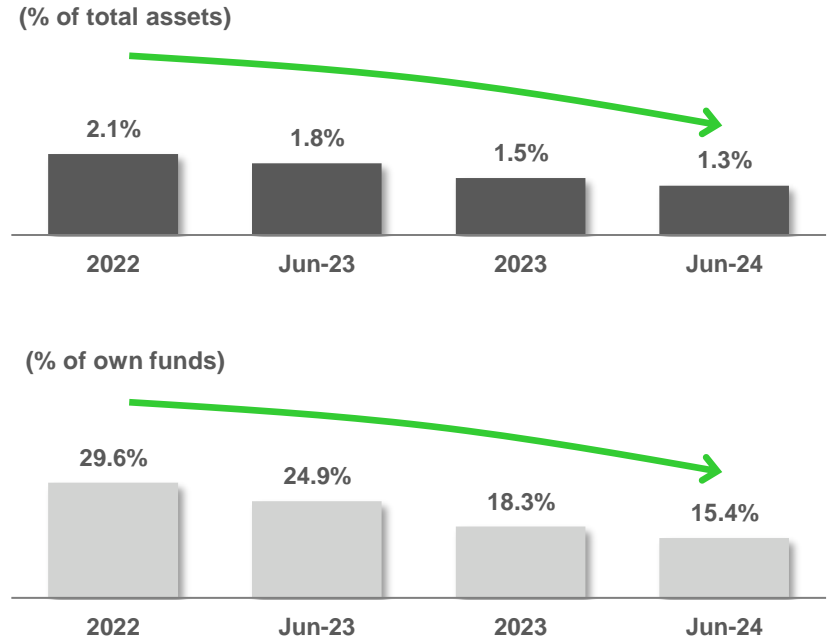
⁽¹⁾ NPE ratio = NPE (as per EBA definition) / Gross Loans

Strong reduction in real estate owned (REO)

REO (M€)

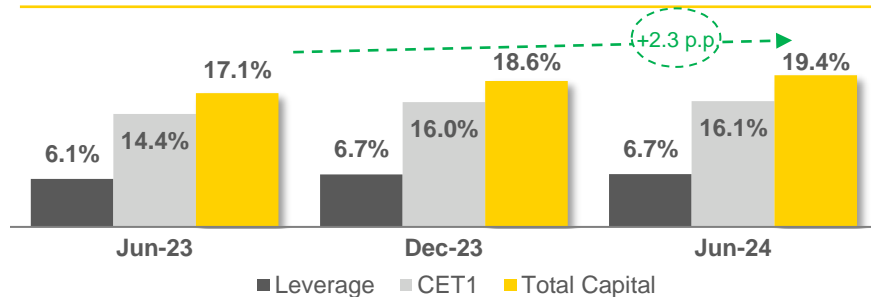
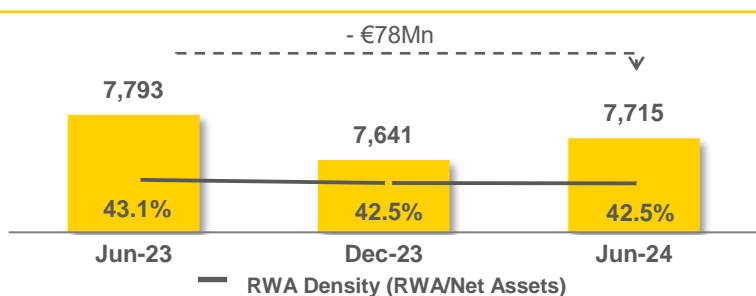
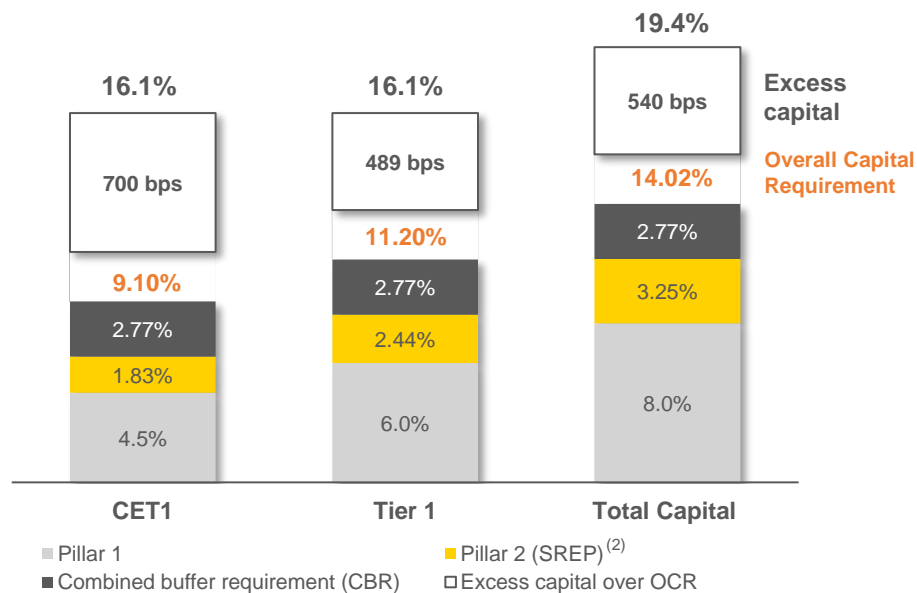


REO (% of total assets and own funds)



✓ Focus on the RE sales, increasing efforts to promote retail sales and take advantage of all wholesale market opportunities

Capital ratios improved to new historic highs, driven by the increase in own funds and the €50Mn increase in T2 eligible instruments

Capital ratios (fully implemented)⁽¹⁾

RWA (Risk weighted assets)

Capital ratios⁽¹⁾: requirements + excess (30 June 2024)


(1) Reflects the full implementation of the prudential rules laid down in the legislation in force in the European Union, which was produced based on the standards set by the Basel Committee on Banking Supervision (Basel II and Basel III). (2) Supervisory Review and Evaluation Process (The procedures followed by the Banco de Portugal in relation to the annual review and evaluation process (SREP) comply with the guidelines of the European Banking Authority (EBA) and the methodologies defined under the Single Supervisory Mechanism).

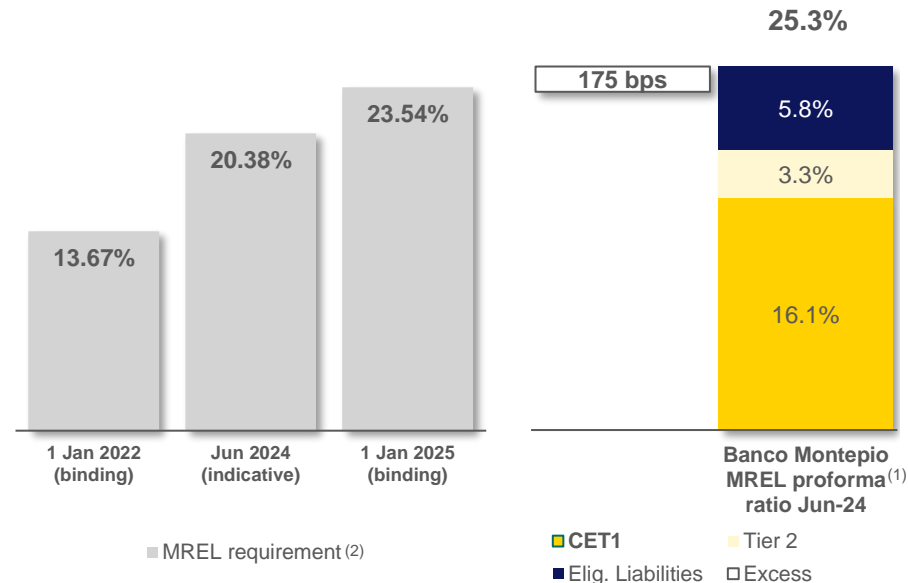
The ratios include the period's net income.

The MREL requirement has been met in excess and Banco Montepio is well positioned to maintain a surplus in line with its overall strategy and risk profile

	1-Jan-22	30-Jun-24 (proforma) ⁽¹⁾
Total Own Funds (€Mn)	1,289	1,501
Eligible Liabilities (€Mn)	0	450
Total Own Funds & Eligible Liabilities (€Mn)	1,289	1,951
Total RWA (€Mn)	8,763	7,715
MREL ratio (%RWA)	14.7%	25.3%
Minimum requirement (MREL (%RWA)) ⁽²⁾	13.67%	20.38%
MREL ratio (%LRE)	5.4%	10.6%
Minimum requirement (MREL (LRE))	5.33%	5.33%

⁽¹⁾ The pro forma figures include the cumulative profit for the period, less estimated potential distributions.

⁽²⁾ As at 30 June 2024, it includes a combined buffer requirement of 2.77 p.p.

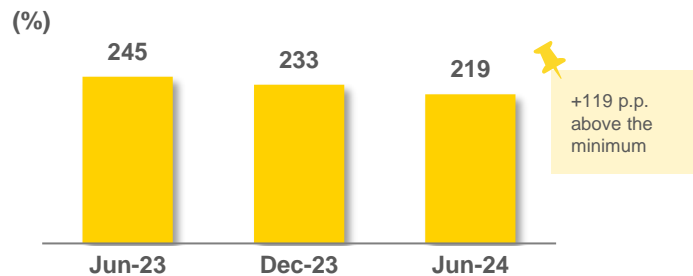


✓ Banco Montepio is not subject to any subordination requirements

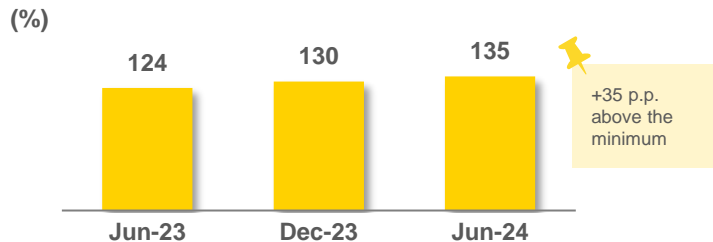
✓ Aim to maintain an adequate excess MREL consistent with overall strategy and risk profile through a sustainable combination of issuance, organic capital generation and balance sheet optimisation

Robust liquidity position, with levels well above the regulatory requirements. Customer deposits represent 81% of total liabilities

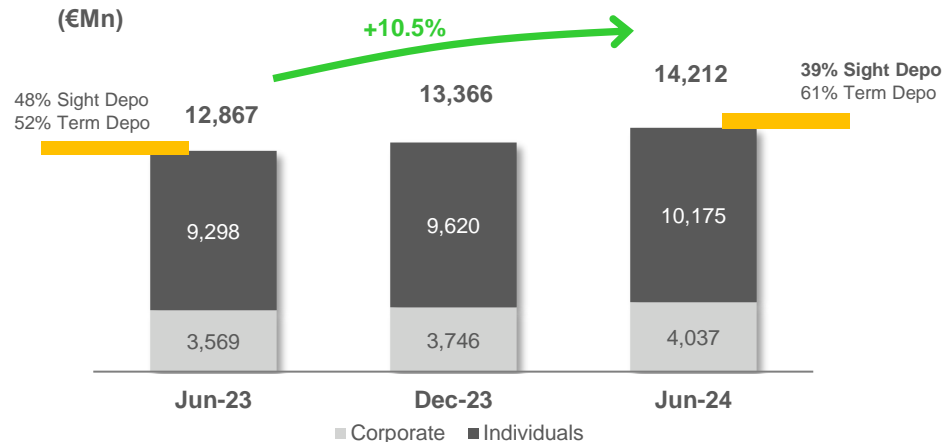
Liquidity Coverage Ratio (LCR)



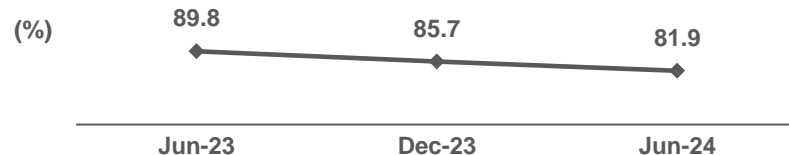
Net Stable Funding Ratio (NSFR)



Customers' Deposits



LTD¹



(1) Loans and advances to customers / Deposits from customers

Wholesale funding maturity profile is well spread over time

Outstanding wholesale debt (retained shown in grey)

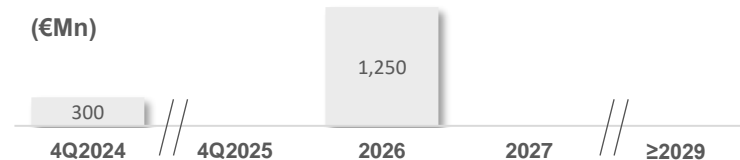
ISIN	Issue	Maturity	Amount €Mn	Coupon	Type	Stock Exchange
PTCMGEOE0034 ⁽¹⁾	9/11/2026	11/11/2024	300	Euribor 3M + 0.5%	CB	Euronext Lx
PTCMGFOE0033 ⁽¹⁾	16/12/2016	16/12/2026	500	Euribor 3M + 0.9%	CB	Euronext Lx
PTCMGFOE0033 ⁽¹⁾⁽²⁾	29/11/2022	16/12/2026	750	Euribor 3M + 0.9%	CB	Euronext Lx
PTCMGAOM0038 ⁽³⁾	14/11/2019	14/11/2024	500	0.125%	CB	ISE
PTCMGGOM0008	30/10/2023	30/10/2026 (call @30/10/2025)	200	Y1-Y2: 10.0% (Y3 Euribor 3M + 6.234%)	SP	Lux SE
PTCMKAOM0008	29/05/2024	29/05/2028 (call @29/05/2027)	250	Y1-Y3: 5.625% (Y4 Euribor 3M + 2.6%)	SP	Lux SE
PTCMG3OM0038	12/03/2024	12/06/2034 (call @12/06/2029)	250	8.5% (Swap 5Y+5.815%)	T2	Lux SE
PTFNI1OM0011	02/02/2010	Undated	6.3	Max (5% ; Euribor 6M + 2.75%)	T2	Euronext Lx
Total			2,756			
	o.w. retained		1,550			
	o.w. repurchased		171			
	o.w. held by investors		1,035			

⁽¹⁾ Retained in the Balance sheet to reinforce the ECB eligible assets.

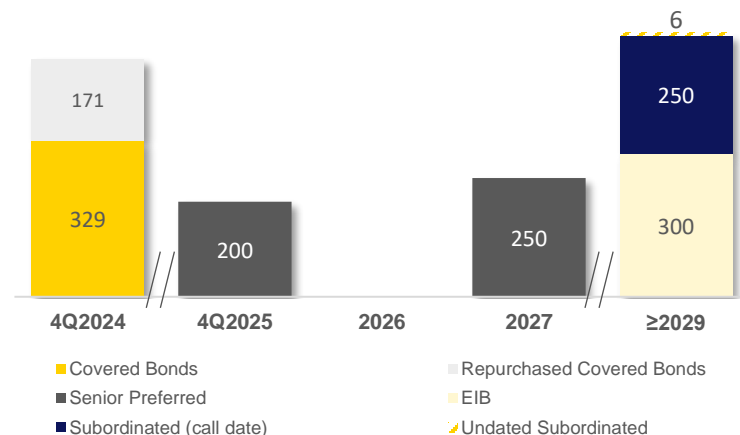
⁽²⁾ Tranche 2.

⁽³⁾ o.w. €171Mn repurchased.

Retained Covered Bonds



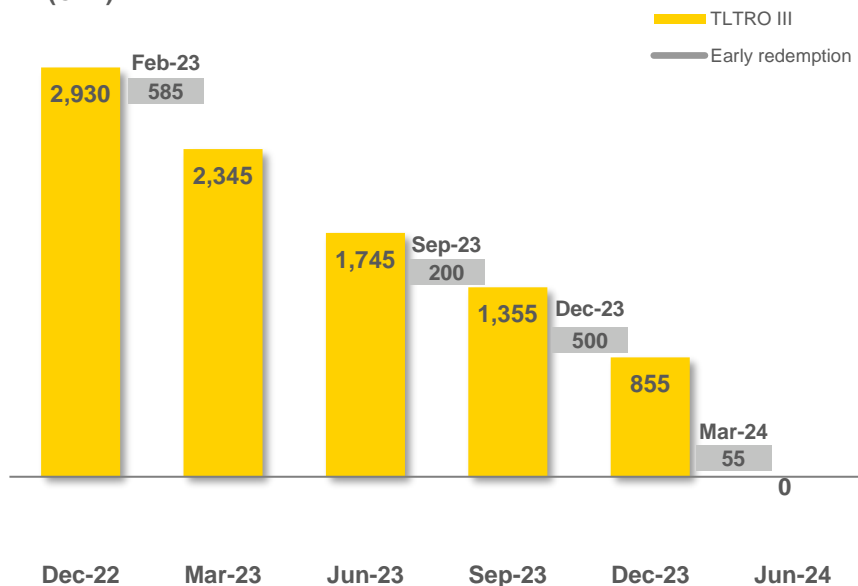
Debt Issued & EIB maturity profile



Full repayment of the ECB funding and maintenance of a comfortable liquidity position. Sound liquidity buffer in the amount of €5.6Bn

ECB funding ¹

(€Mn)

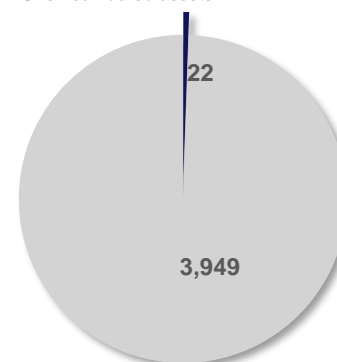


ECB eligible assets & Liquidity buffer

(€Mn)

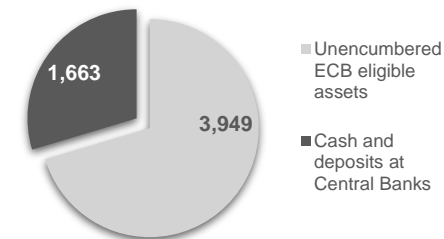
ECB eligible assets (€4Bn)

- Pledged assets
- Unencumbered assets

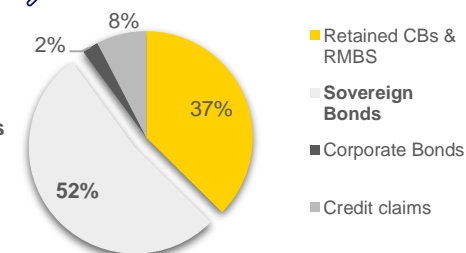


✓ Mainly liquid debt instruments (o.w. 52% government bonds) valued at market prices less ECB's valuation haircuts

Liquidity buffer (€5.6Bn)



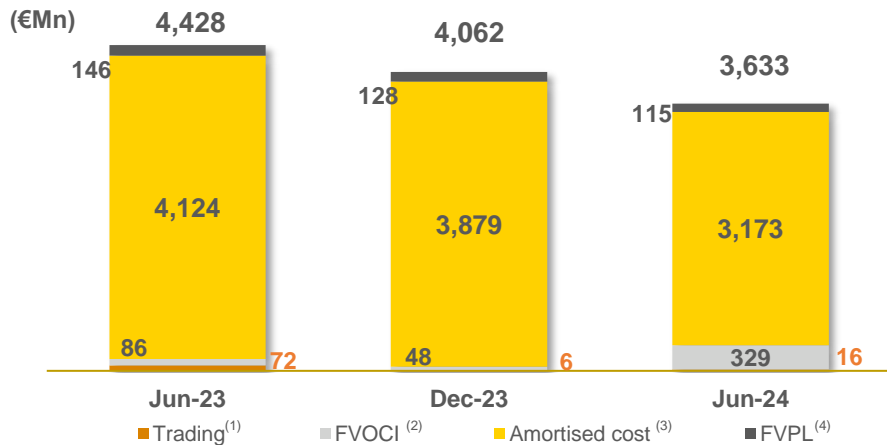
ECB eligible assets portfolio



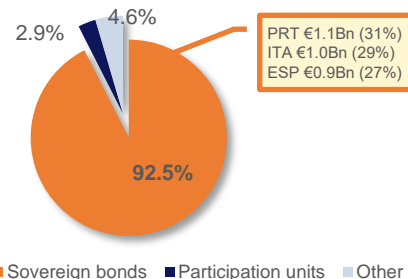
(1) TLTRO III – Targeted longer-term refinancing operations.

A low-risk securities portfolio consisting mainly of IG government bonds eligible for ECB monetary policy purposes

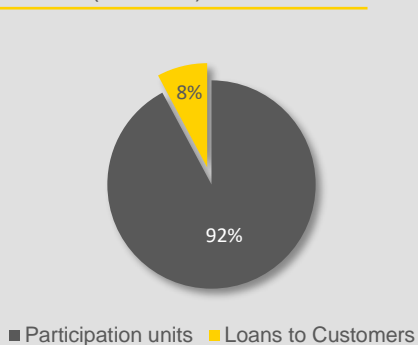
By portfolio



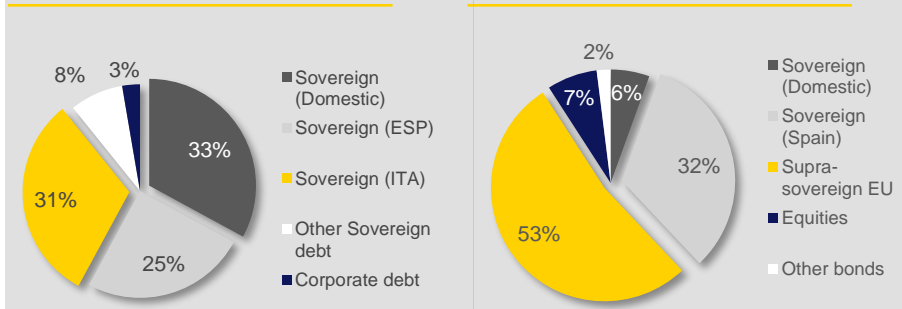
By instrument type



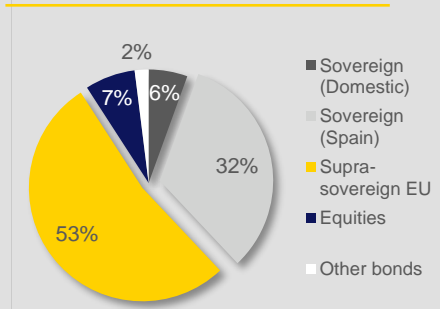
By portfolio



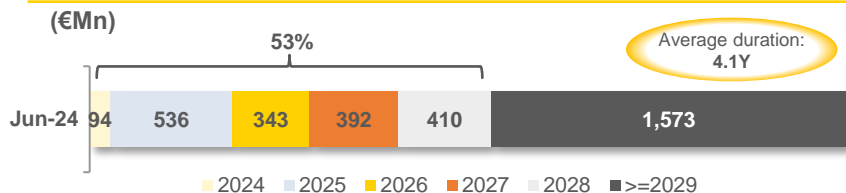
Amortised cost (€3,173Mn)



FVOCI (€329Mn)



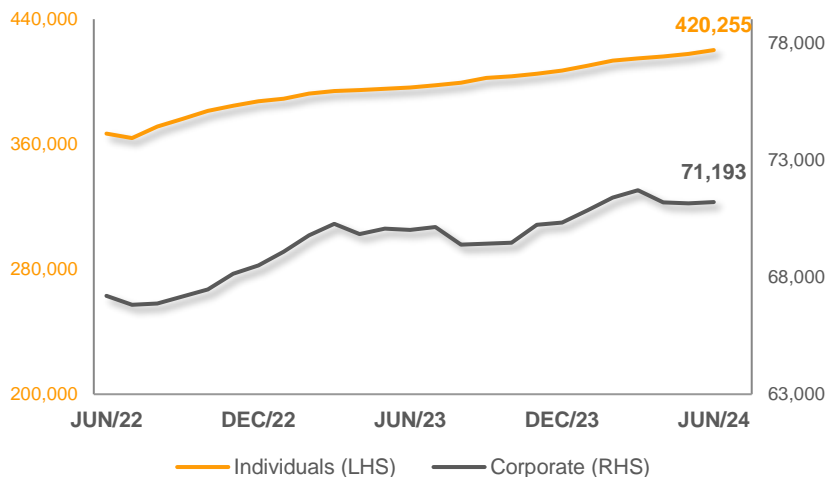
Bond portfolio maturities



(1) Financial assets and liabilities held for trading. (2) Financial assets at fair value through other comprehensive income. (3) Other financial assets at amortised cost. (4) Financial assets at fair value through profit or loss (FVPL).

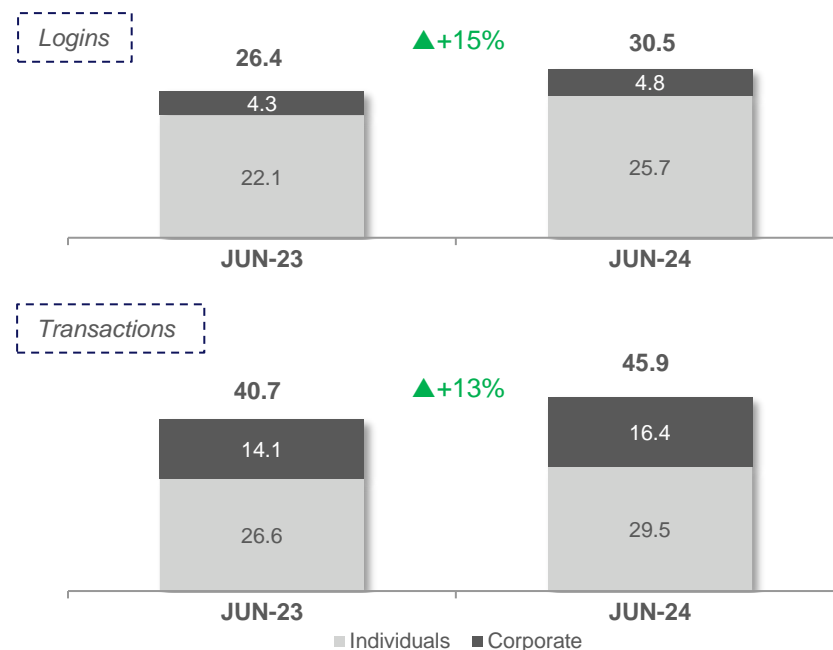
Successful ongoing digital transition

Number of Montepio24⁽¹⁾ users



- **Montepio24 Users: 491,448 (+13% since Jun2022)**
 - ✓ Individuals +14.5%
 - ✓ Corporate +5.9%

Logins & Transactions (#Mn)⁽²⁾



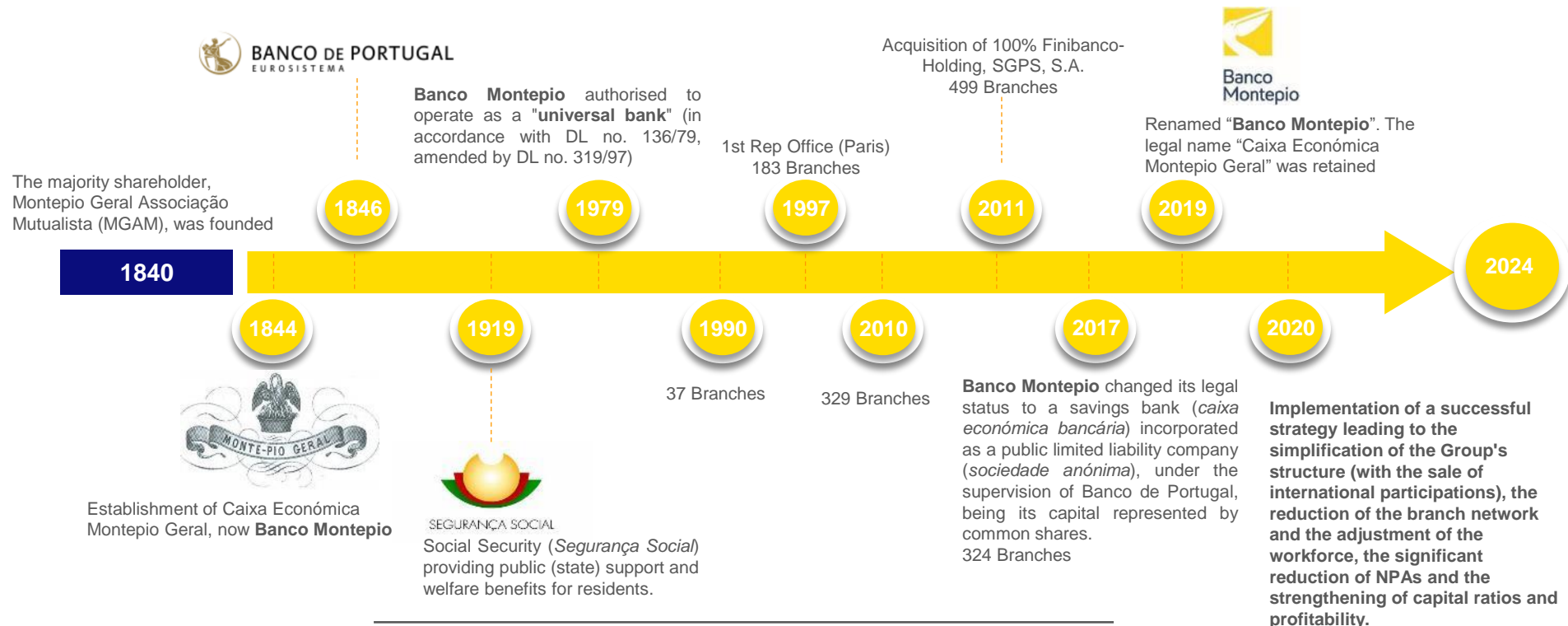
⁽¹⁾ The Montepio24 Service corresponds to a multi-channel platform that integrates the digital and remote channels.

⁽²⁾ Net24 & App M24 & Connect24.

4

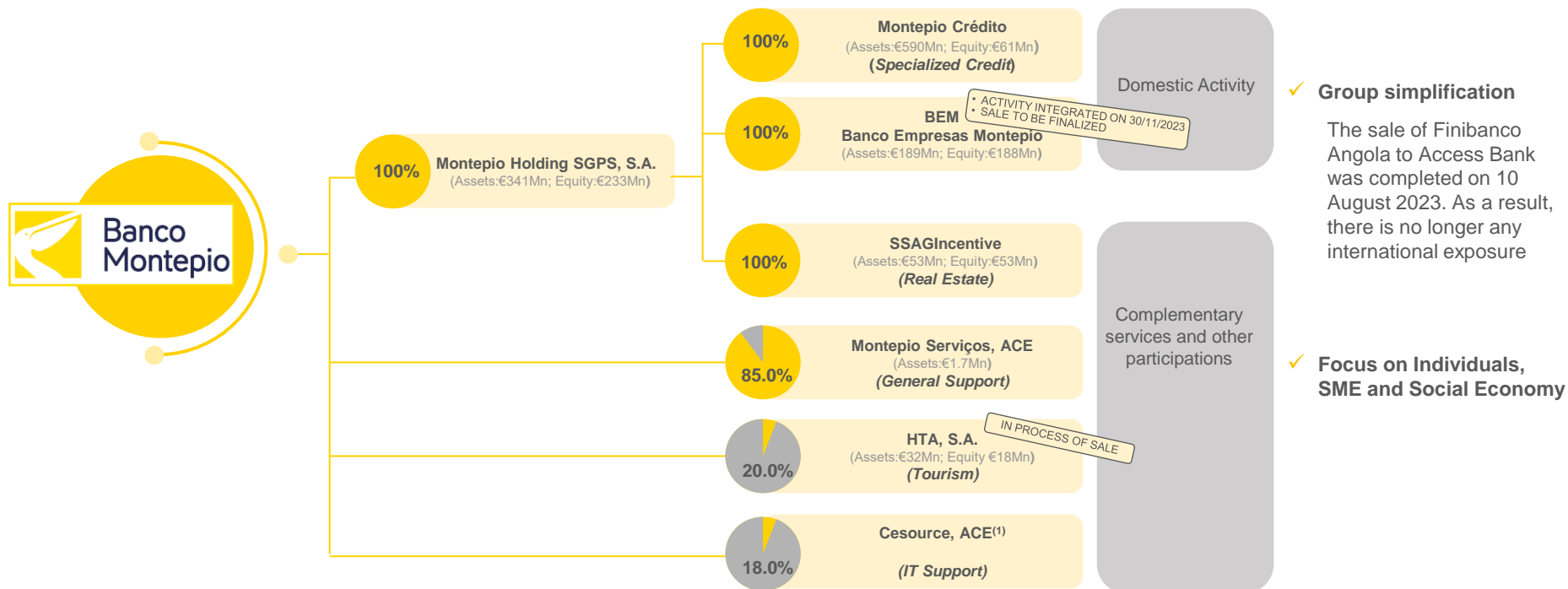
Banco Montepio Group

Banco Montepio is one of the oldest brands with a long history of trust and tradition built on principles of mutualism, solidarity and social economy



The Pelican is the symbol of altruism and mutual aid

With a simple organisational structure, Banco Montepio maintains its focus on domestic activity



Governing bodies

- The Management and Supervisory Boards **took office on 25 July 2022**. The Board of Directors was reduced from 15 to 12 members;
- As a bank majority owned by a mutual benefits association and one of the main players in the Social Economy sector, **Banco Montepio promotes gender equality: the Board is composed of 7 women and 5 men**, in full compliance with the SDG 5;
- The Board is **focused on growing the business, improving efficiency and profitability and keeping risk exposure at prudent levels**.

General Meeting Board

Chairman: António Manuel Lopes Tavares

Statutory Auditor⁽¹⁾

Board of Directors

Chairperson:

Manuel Ferreira Teixeira

Chief Executive Officer:

Pedro Manuel Moreira Leitão (CEO)

Executive Members:

Ângela Isabel Sancho Barros (CRO)

Helena Catarina Gomes Soares de Moura Costa Pina (CPO)

Isabel Cristina dos Santos Pereira da Silva (CBO)

Jorge Paulo Almeida e Silva Baião (CTO)

José Carlos Sequeira Mateus (CFO)

Non-executive Members:

Clementina Maria Dâmaso de Jesus Silva Barroso (Chairperson)

Florbela dos Anjos Frescata Lima (Member)

Maria Cândida de Carvalho Peixoto (Member)

Maria Lúcia Ramos Bica (Member)

Eugénio Luis Correia Martins Baptista

4-year term
2022-2025

Audit Committee

(Chairperson)

(Member)

(Member)

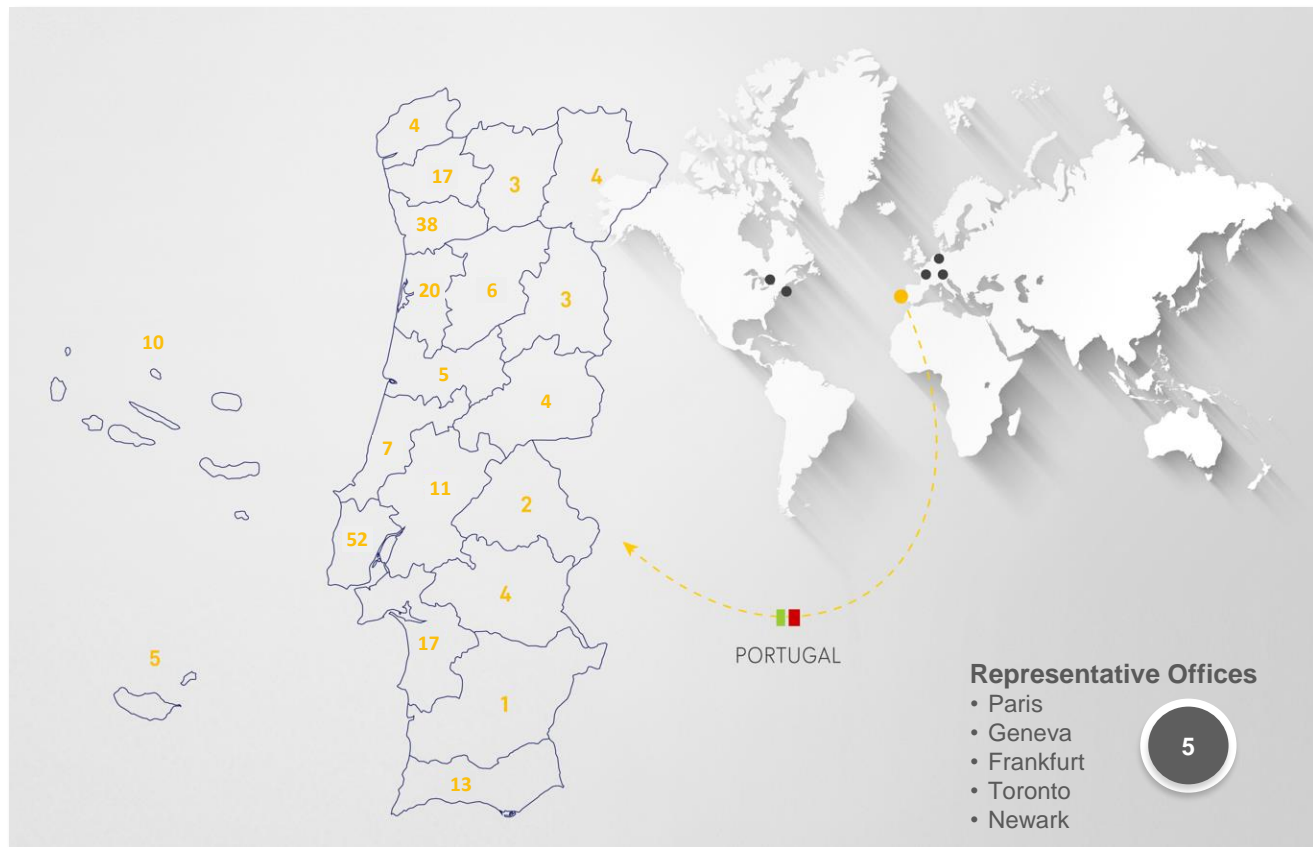
(Member)

Branches in all districts and autonomous islands



As of Jun-24

226 RETAIL BRANCHES



5

Appendix

- Key Indicators
- Consolidated Income Statement
- Balance Sheet
- Ratings
- Milestones
- Glossary

Key Indicators

	Jun-23	Dec-23	Jun-24	Change YoY
ACTIVITY AND RESULTS (€ million)				
Total assets	18,094	17,989	18,169	0.4%
Gross Loans to customers	11,875	11,734	11,877	0.0%
Deposits from customers	12,867	13,366	14,212	10.5%
Equity	1,541	1,566	1,660	7.7%
Net income excluding the effect of the consolidation of Finibanco Angola	55.8	132.6	68.7	23.1%
Net income	(48.3)	28.4	68.7	>100%
SOLVENCY ^(a)				
Common Equity Tier 1 ratio	14.5%	16.1%	16.1%	1.6 p.p.
Tier 1 ratio	14.5%	16.1%	16.1%	1.6 p.p.
Total Capital ratio	17.2%	18.8%	19.5%	2.3 p.p.
Leverage ratio	6.2%	6.7%	6.8%	0.6 p.p.
Risk weighted assets (€ million)	7,793	7,641	7,715	(1.0%)
LIQUIDITY RATIOS				
Loans to customers (net) / Customers' deposits ^(b)	89.8%	85.7%	81.9%	(7.9 p.p.)
LCR	245.2%	233.1%	219.3%	(25.9 p.p.)
NSFR	123.9%	130.0%	135.4%	11.5 p.p.
ASSET QUALITY				
Cost of credit risk	0.1%	0.4%	0.1%	(0.0 p.p.)
Non-performing exposures (NPE) ^(c) / Gross Loans to customers	4.5%	3.2%	2.8%	(1.7 p.p.)
NPE ^(c) net of credit risk impairments / Gross Loans to customers	1.8%	0.8%	0.8%	(1.0 p.p.)
NPE ^(c) coverage by specific impairments	43.0%	45.9%	43.2%	0.2 p.p.
NPE ^(c) coverage by credit risk impairments	60.0%	73.9%	72.2%	12.2 p.p.
NPE ^(c) coverage by credit risk impairments and associated collaterals and financial guarantees	106.7%	115.1%	113.4%	6.7 p.p.
PROFITABILITY AND EFFICIENCY				
Total operating income / Average total assets ^(b)	2.5%	2.8%	2.8%	0.3 p.p.
Net income before income tax / Average total assets ^(b)	1.0%	1.0%	1.2%	0.2 p.p.
Net income before income tax / Average total equity ^(b)	11.4%	11.8%	13.4%	2.1 p.p.
Recurring net income / Average total equity	8.9%	9.3%	8.6%	(0.3 p.p.)
Cost-to-income (Operating costs / Total operating income) ^(b)	55.2%	50.8%	52.4%	(2.8 p.p.)
Cost-to-Income, excluding specific impacts ^(d)	46.6%	46.2%	50.5%	4.0 p.p.
Staff costs / Total operating income ^(b)	33.7%	30.5%	30.4%	(3.3 p.p.)
EMPLOYEES AND DISTRIBUTION NETWORK (Number)				
Employees				
Banco Montepio Group	3,119	2,983	2,994	(4.0%)
Banco Montepio	2,968	2,860	2,873	(3.2%)
Branches				
Domestic network - Banco Montepio	236	232	226	(4.2%)
Representative offices - Banco Montepio	5	5	5	0.0%

(a) Pursuant to CRD IV / CRR (phasing-in). The ratios include the net income of the period.

(b) Pursuant to Banco de Portugal Instruction No. 16/2004, as amended.

(c) EBA definition.

(d) Excludes results from financial operations and other operating results (net gains arising from the sale of other financial assets and other operating income) and non-recurring operating costs driven by the operational adjustment plan.

Consolidated Income Statement

(Euro millions)	Jun-23	Jun-24	Change YoY	
			€Mn	%
Interest and similar income	262.8	351.3	88.5	33.7%
Interest and similar expense	68.4	152.8	84.3	>100%
NET INTEREST INCOME	194.3	198.6	4.2	2.2%
Dividends from equity instruments	0.8	0.5	(0.3)	(38.8%)
Net fee and commission income	65.3	63.1	(2.3)	(3.5%)
Results from financial operations	(15.5)	0.0	15.5	>100%
Other results	(15.3)	(7.1)	8.3	54.0%
OPERATING INCOME	229.6	255.1	25.4	11.1%
Staff Costs	77.3	77.4	0.1	0.1%
General and administrative expenses	31.4	34.6	3.2	10.1%
Depreciation and amortization	18.0	21.6	3.6	20.0%
OPERATING COSTS	126.8	133.6	6.9	5.4%
Loan impairments	8.4	7.3	(1.2)	(13.8%)
Other financial assets impairments	1.7	0.9	(0.7)	(43.7%)
Other assets impairments	9.7	7.9	(1.8)	(18.3%)
Provisions net of reversals and annulments	(4.2)	(2.4)	1.9	44.0%
Share of profit of associates under the equity method	(0.2)	(0.3)	(0.1)	(60.0%)
EARNINGS BEFORE TAX AND NON-CONTROLLING INTERESTS AND DISCONTINUING OPERATIONS	87.1	107.3	20.2	23.2%
Tax	31.2	38.6	7.4	23.5%
NET INCOME FROM CONTINUING OPERATIONS	55.8	68.7	12.9	23.1%
Non-controlling interests	1.7	0.0	(1.7)	(100.0%)
Profit/(loss) from discontinuing operations	(102.4)	0.0	102.4	100.0%
CONSOLIDATED NET INCOME	(48.3)	68.7	117.0	>100%

Balance Sheet

(Euro millions)	Jun-23	Dec-23	Jun-24	Change YoY	
				€Mn	%
Cash and deposits at central banks	630.1	1,171.4	1,663.0	1,032.9	>100%
Loans and advances to credit institutions repayable on demand	127.1	61.0	46.4	(80.7)	(63.5%)
Other loans and advances to credit institutions	168.9	178.9	147.8	(21.1)	(12.5%)
Loans and advances to customers	11,556.4	11,453.3	11,638.5	82.1	0.7%
Financial assets held for trading	85.7	19.0	29.5	(56.2)	(65.6%)
Financial assets at fair value through profit or loss (FVPL)	146.4	128.2	114.9	(31.5)	(21.5%)
Financial assets at fair value through other comprehensive income (FVOCI)	85.7	48.1	328.7	243.0	>100%
Hedging derivatives	0.0	6.2	10.9	10.9	-
Other financial assets at amortised cost	4,123.4	3,878.8	3,173.2	(950.2)	(23.0%)
Investments in associates	4.0	4.7	3.7	(0.3)	(7.7%)
Non-current assets held for sale	10.1	0.1	0.1	(10.0)	(99.3%)
Investment properties	65.3	57.7	52.2	(13.1)	(20.1%)
Property and equipment	191.6	195.4	193.2	1.6	0.8%
Intangible assets	49.7	57.7	60.3	10.6	21.5%
Current tax assets	1.8	1.6	1.1	(0.7)	(38.5%)
Deferred tax assets	385.3	381.1	343.6	(41.7)	(10.8%)
Other Assets	462.2	346.3	362.2	(100.0)	(21.6%)
TOTAL ASSETS	18,093.7	17,989.5	18,169.4	75.7	0.4%
Deposits from central banks	1,749.7	873.9	0.0	(1,749.7)	(100.0%)
Deposits from other financial institutions	859.9	909.4	778.0	(81.9)	(9.5%)
Deposits from customers	12,866.5	13,366.4	14,212.2	1,345.7	10.5%
Debt securities issued	562.6	730.0	952.3	389.7	69.3%
Financial liabilities held for trading	13.6	12.6	12.9	(0.7)	(5.1%)
Provisions	26.1	20.8	17.2	(8.9)	(34.3%)
Current tax liabilities	1.0	1.7	1.8	0.8	84.2%
Hedging derivatives	0.0	3.5	2.4	2.4	-
Other subordinated debt	211.3	217.0	257.5	46.2	21.9%
Other liabilities	262.1	287.5	275.3	13.2	5.0%
TOTAL LIABILITIES	16,552.9	16,423.0	16,509.6	(43.3)	(0.3%)
Share Capital	1,210.0	1,210.0	1,210.0	0.0	0.0%
Reserves and retained earnings	379.1	328.1	381.1	2.0	0.5%
Consolidated net income	(48.3)	28.4	68.7	117.0	>100%
TOTAL EQUITY	1,540.9	1,566.5	1,659.8	118.9	7.7%
TOTAL LIABILITIES AND EQUITY	18,093.7	17,989.5	18,169.4	75.7	0.4%

Ratings

DBRS	Last review in December 2023
Intrinsic Assessment (IA)	BB
Long-Term Issuer Rating	BB
Trend	Stable
Short-Term Issuer Rating	R-4
Trend	Stable
Long-Term Senior Debt	BB
Trend	Stable
Short-Term Debt	R-4
Trend	Stable
Subordinated Debt	B (high)
Trend	Stable
Long-Term Deposits	BB (high)
Trend	Stable
Short-Term Deposits	R-3
Trend	Stable

Moody's	Last review in November 2023
Baseline Credit Assessment (BCA)	ba2
Adjusted Baseline Credit Assessment (BCA)	ba2
Senior Unsecured MTN	Ba2
Outlook	Stable
Subordinated Debt	Ba3
Long Term Bank Deposits	Baa3
Outlook	Stable
Short Term Bank Deposit Rating	P-3
Long Term Counterparty Risk	Baa2
Covered Bonds	Aaa
Fitch Ratings	Last review in March 2024
Viability Rating (VR)	bb
Long Term Issuer Default Rating (IDR)	BB
Outlook	Stable
Short Term Issuer Default Rating (IDR)	B
Government Support	No Support
Long-term Senior Preferred Debt Rating	BB
Short-term Senior Preferred Debt Rating	B
Long-Term Senior Non-Preferred Debt Rating	BB-
Subordinated Debt Rating	B+
Long-Term Deposits Rating	BB+
Short-Term Deposits Rating	B
Covered Bonds	AAA
Outlook	Stable

Banco Montepio's brand reputation

- ✓ Brand Image - Banco Montepio recorded an increase of 8 p.p. between the first and second quarters of 2024, reaching 70% of promoters (source: Brand and Communication Barometer by Brand Score). This is the best result ever for Banco Montepio and the second best position among the 11 banking brands evaluated.
- ✓ Brand Equity - Banco Montepio increased its Brand Equity (brand valuation) by 12 p.p. to 54% in the second quarter, the highest increase in the banking sector. Banco Montepio's brand is seen as a relevant asset in retaining existing customers and attracting new ones.
- ✓ Effectiveness - the impact of communication on brand equity - increased by 15 p.p. in the second quarter of 2024, with Banco Montepio recording the best effectiveness of banking campaigns in this period.

Banco Montepio in the ranking of companies with the best corporate reputation

- ✓ Banco Montepio is one of the 100 companies with the best reputation in Portugal, according to Merco Empresas, the corporate reputation monitor.

Banco Montepio celebrates 180 years



- ✓ In these almost two centuries of existence, we have played a vital economic and social role in our country, pursuing our mission to make a difference in the lives of every individual, every family, every business and every socio-economic institution. We have been at the service of the Portuguese, of communities at home and abroad.
- ✓ We are a bank with a people's soul, where everyone belongs: universal, intergenerational, interclass and multicultural. We promote diversity, equality and inclusion, actively contributing to a more aware and supportive present and working together to build a more sustainable future.
- ✓ We are a bank of causes.

“Bem Bom” contest

- ✓ After returning more than €19Mn to families with mortgage loans in a campaign launched in partnership with Worten (a well-known retail chain in Portugal, specialising in the sale of electronic goods and household appliances), Banco Montepio has launched another initiative to support customers on its 180th anniversary.
- ✓ "Bem Bom" is the contest that brings together Banco Montepio and Rádio Comercial to support families with mortgage loans. It is aimed at customers who have a mortgage loan (main and permanent home) with Banco Montepio and will be held every week until January 2025, awarding a very good ("Bem Bom") monthly amount of €1,500 for one year, for a total of €18,000.

Brand of Excellence - Superbrands 2024

- ✓ It's the 15th time that Banco Montepio has been distinguished by Superbrands as a "Brand of Excellence", a distinction that annually recognises the most important brands in the Portuguese market, described as "those that remain in the minds and hearts of the Portuguese".

Three awards for Banco Montepio's mortgage loans

- ✓ Banco Montepio's Mortgage Credit was recognised by three different entities with the following awards
 - "Consumer Choice 2024" (*"Escolha do Consumidor 2024"*) for the third time in a row;
 - "Five Stars 2024" (*"Cinco Estrelas 2024"*);
 - DECO Proteste's "Right Choice" (*"Escolha Acertada"*).

Consumer Choice 2024 (“Escolha do Consumidor 2024”) | Mortgage Loans



- ✓ Banco Montepio's Mortgage Loans is Consumer Choice 2024 for the third time in a row. Portuguese consumers evaluated and rewarded Banco Montepio as the 'No. 1 Consumer Choice Brand' in the Mortgage Loans category, out of a total of twelve banks evaluated.
- ✓ Banco Montepio recorded a final score of 79% and a recommendation score of 81%, leading in the following dimensions: Attributes, Benefits, Values and Emotions.
- ✓ In the evaluation of the emotional positioning of the brand, Banco Montepio leads in all attributes and stands out in 'Brand Loyalty' (“*Lealdade à Marca*”), which represents a relationship of optimism and satisfaction with the brand, leading the consumer to establish a long-term relationship with the brand and become its promoter, and 'Brand Love' (“*Amor à Marca*”), which expresses the feeling of passion, attachment and appreciation of the brand, generating positive emotions that provide the consumer with general well-being.

Five Stars 2024 Award (“Prémio Cinco Estrelas 2024”) Mortgage Loans



- ✓ Banco Montepio's Mortgage Loans were granted the Five Star award for the first time in the Mortgage Loans category, out of a total of 7 banking brands evaluated.
- ✓ Banco Montepio recorded an overall satisfaction rating of 77.2%, after evaluating the basic variables that influence consumer decisions: satisfaction through experimentation, value for money, intention to recommend, trust in the brand and innovation.

Right Choice (“Escolha Acertada”) by DECO Proteste Mortgage Loans

- ✓ Banco Montepio was awarded by DECO Proteste with two Right Choice seals: Mortgage Loans - with associated sales and Mortgage Loans - without associated sales.
- ✓ According to DECO Proteste, Banco Montepio's Mortgage Loans offer is the one with the best quality/price ratio, with and without associated sales.



Five Stars 2024 Award ("Prémio Cinco Estrelas 2024") | Banking - Sustainability



- ✓ Banco Montepio has been granted, for the second year in a row, the "Five Stars 2024" award in the Banking - Sustainability category.
- ✓ The bank registered an overall satisfaction of 79.2%, after evaluating the following attributes: Experience Satisfaction; Value for Money; Intention to Recommend; Brand Trust and Innovation.
- ✓ An award granted by Five Stars Consulting, which implemented the Five Stars methodology and evaluated 5 banking brands, involving 1,347 consumers, between May and September 2023.
- ✓ Banco Montepio has published its "**Sustainability Report 2023**", which includes its achievements in environmental, social and governance (ESG) initiatives over the past year, as well as its Sustainability Strategy for 2024/2026 and objectives for the future. The document is available [here](#).

Recommended Brand 2024 ("Marca Recomendada 2024")



- ✓ Banco Montepio achieved the best average satisfaction rating in the "Complaint Portal" ("*Portal da Queixa*") in the category of Banks.
- ✓ This award recognises the close relationship between brands and their Customers throughout the purchase process, and reflects that Banco Montepio is a trusted brand for consumers.
- ✓ The "Recommended Brand 2024" label is the sole responsibility of Portuguese consumers and is the result of their evaluation of brands and organisations over the last year on the *Portal da Queixa* platform. Twelve consecutive months in which Customer service has been a priority and has therefore generated a reputation for the brand that wins this title awarded by Consumers Trust, the global brand that owns the *Portal da Queixa* platform.

Banco Montepio successfully completed the public offering of its 2nd issue of MREL-eligible senior preferential debt

- ✓ Banco Montepio set the final terms for a €250Mn senior preferred bond issue under its Euro Medium Term Note (EMTN) programme, which is eligible for compliance with the MREL. The settlement took place on 29 May 2024 and allowed Banco Montepio to bring its MREL ratios above the regulatory requirements that must be met by January 2025.
- ✓ The issue has a term of 4 years, with an early redemption option by Banco Montepio at the end of the third year and a fixed interest rate of 5.625% per year until the date of exercise of the early redemption option. If the issue is not redeemed early, the interest rate for the remaining period will be indexed to the 3-month Euribor plus a spread of 2.6%.
- ✓ This offer received a very high level of interest from investors, with demand exceeding the amount offered by more than 6 times and the final allocation being made to more than 100 geographically diversified institutional investors: United Kingdom (40%), Iberia (27%), France (10%), Italy (8%) and Germany (5%), among others. Following the success of the two recent debt offerings, this outcome unequivocally reinforces investor interest and confidence in Banco Montepio's current management model, as evidenced by the success achieved in the main profitability, capital and risk indicators.

Banco Montepio supports Magic Firefly ("*Pirilampo Mágico 2024*") campaign

- ✓ The Magic Firefly Campaign, promoted by FENACERCI and supported by Banco Montepio since 2017, returned from 9 May to 2 June 2024, with the motto "The Magic of Solidarity" ("*A Magia da Solidariedade*").
- ✓ The initiative aims to support children, young people and adults with intellectual disabilities and/or multi-disabilities, is one of the biggest national symbols of national solidarity and aims to raise funds for CERCIs, members of FENACERCI, and other similar organisations.

Banco Montepio supports consortium led by Amener and I-Sete in Green Bond issue

- ✓ Banco Montepio advised the consortium led by Amener and I-Sete on the structuring of an issue of Green Bonds in the amount of €9Mn, by private and direct offer. Acting as Global Coordinator and investor, Banco Montepio took responsibility for organising and setting up the operation and underwrote the issue.
- ✓ The "ALENTEJO CENTRAL SMARTLIGHT 2024 - 2031" bond issue, certified as *Green Bonds*, complies with the conditions set out in the "*Green Bond Principles*" published by the International Capital Market Association, in accordance with the Second Party Opinion issued by an independent external entity which considered that this project contributes to SDG 7 - Renewable and Accessible Energy and SDG 9 - Industry, Innovation and Infrastructure.

CET1 - Common Equity Tier 1.

Commercial net interest income – Commercial NII - is the margin from interest received from customers concerning the granting of credit, and from interest paid to customers as part of the remuneration of funds raised.

Core operating income - Corresponds to the sum of the Income Statement items “Net interest income” and “Income from services and commissions”.

Cost of Credit Risk - Indicator that measures the cost recognized in the period and recorded as credit impairment in the income statement to cover the risk of default in the loans and advances to Customer's portfolio. It results from dividing the Credit Impairment (annualized) by the average balance of Loans to Customers (gross).

Cost-to-income ratio - Ratio of operating efficiency measured through the portion of operating income that is absorbed by operating costs, given by dividing operating costs by operating income.

Debt issued - Sum of balance sheet items 'Debt securities issued' and 'Other subordinated debt'.

EBA - European Banking Authority, European Banking Authority.

Fully implemented - It refers to the full implementation of the prudential rules set out in the legislation in force in the European Union, which was produced based on the standards defined by the Basel Committee on Banking Supervision in the agreements known as Basel II and Basel III.

LCR - Liquidity Coverage Ratio.

Liquidity buffer – Sum of the aggregate amount of the balance sheet item “Cash and deposits at central banks” and the market value, net of haircuts applied by the ECB, of eligible and uncommitted assets for liquidity-providing operations under the Eurosystem's monetary policy.

Net commissions - Corresponds to the item in the income statement “Income from services and commissions”.

NPE - Non-performing exposures according to the EBA definition.

NPE coverage by specific impairments - ratio that measures the proportion of impairment for credit risks of non-performing exposures, in relation to the balance of non-performing exposures.

NPE coverage by total impairments for credit risk - ratio that measures the proportion of impairment for credit risks accumulated on the balance sheet in relation to the balance of non-performing exposures.

NPE coverage by total impairments for credit risk, collateral and associated financial guarantees - ratio that measures the proportion of the sum of the impairment for credit risks accumulated on the balance sheet and the value of the associated collateral and financial guarantees, in relation to the balance of non-performing exposures.

NPE Ratio - Ratio given by the division of NPE calculated in accordance with the EBA definition by loans and advances to Customers (gross).

NSFR - Net Stable Funding Ratio

Operating costs - Sum of the Income Statement headings “Staff costs”, “General administrative costs” and “Depreciation and amortisation”.

Operating income - Corresponds to the sum of the Income Statement items “Net interest income”, “Income from equity instruments”, “Income from services and commissions”, “Income from financial operations”, “Other operating income” and “Income from disposal of other assets”.

Other results - Corresponds to the sum of the Income Statement headings “Other operating results” and “Results from the sale of other assets”.

Performing loans - Corresponds to gross credit excluding non-performing loans.

Phasing-in - It refers to the phased implementation of prudential rules in accordance with the legislation in force in the European Union.

Results from financial operations - Sum of the headings in the income statement “Income from assets and liabilities measured at fair value through profit or loss”, “Income from financial assets at fair value through other comprehensive income” and “Income from foreign exchange revaluation”.

Sector contributions (IFRIC21) - Mandatory contributions to the banking sector under IFRIC 21 (extraordinary contribution on the banking sector, contributions to the Deposit Guarantee Fund, to the Resolution Fund under the terms of Decree-Law no. 24/2013 and to the Single Resolution Fund).

Securities portfolio - Total of the balance sheet asset items “Financial assets held for trading”, “Financial assets at fair value through other comprehensive income”, “Other financial assets at amortised cost”, “Financial assets at fair value through profit or loss” and “Hedging derivatives”, less the balance sheet liability items “Financial liabilities held for trading” and “Hedging derivatives”.

YoY - Year-on-year, change compared to the same period in the previous year..

YtD - Year-to-date, change compared to the end of the previous year.



Banco Montepio

Thank you

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