

BANCO BPI RESULTS FOR THE 1ST QUARTER OF 2025

Porto, 5th May 2025

GROWTH AND FINANCIAL STRENGTH AMID LOWER INTEREST RATES

SOLID RESULT IN AN ENVIRONMENT OF FALLING INTEREST RATES

- Net profit of 137 M.€ (+13% YoY) includes BFA dividends for 2024.
- Net profit from activity in Portugal of 98 M.€ (-13% YoY), reflecting the fall in interest rates.
- Cost-to-income ratio of 37%.
- Recurrent return on tangible equity (ROTE) in Portugal of 17.5%.

LOANS AND RESOURCES KEEP ON GROWING

- Loan portfolio increased 1.4 Bn.€ YoY (+5%).
- Mortgage loan portfolio grew 8% YoY. 961 M.€ in new loan operations in the first quarter of 2025.
- Corporate loan portfolio grew 4% YoY.
- Customer resources increased by 2.7 Bn.€ YoY (+7%).

RISK AT HISTORIC LOWS AND HIGH CAPITALISATION

- NPE ratio at historic lows (1.3%), covered at 152%.
- Capital ratios: CET1 ratio of 13.9% and total capital of 17.4%.

YOUTH EMPLOYMENT AND STRONG COMMITMENT TO PORTUGAL

- 103 young people employed in the first quarter of 2025, and around 400 since 2022.
- Largest private social investment programme in Portugal with a 50 M.€ budget from the "la Caixa" Foundation. Funding will be provided in collaboration with BPI for social programmes, research and health, culture and science, and education and scholarships.
- ~200 M.€ in sustainable financing granted by BPI in the first quarter.

RESULTS AND COMMERCIAL ACTIVITY

BPI made a net profit of 137 M.€ in the first quarter of 2025, up 13% on the 121 M.€ recorded in the same period of the previous year. It should be noted that this result includes BFA's dividend for 2024 of 46 M.€ (in the previous year this was recorded in the 2nd quarter). BPI records BFA's dividend when it is approved by its shareholders.

The activity in Portugal contributed 98 M.€, which represents a decrease of 13% YoY, reflecting the repricing of loans with lower indexes.

BPI recorded year-on-year growth of 5% in loans and 7% in Customer resources. However, the growth in turnover was not enough to offset the negative impact of the fall in market interest rates on net interest income, and gross income fell by 8% year-on-year. Recurrent costs remain stable (+1% YoY) and the cost of credit risk is at a low level of 0.10%. The recurrent return on tangible equity in Portugal amounted 17.5% in March 2025 (last 12 months).

João Pedro Oliveira e Costa, BPI's CEO, said: "This quarter's results confirm the strong dynamism of BPI's commercial activity. This was reflected in the 7% growth in customer resources and the 5% increase in loans granted, particularly in mortgage lending, where we recorded almost 1 billion euros in new operations in the quarter. We are prepared for the current cycle of falling market interest rates. Although it could put pressure on net interest income, we believe it will have a positive effect on the financial capacity of families and companies, contributing to economic stability. Also noteworthy is BPI's contribution to retaining young talent in Portugal, with more than a hundred employees under the age of 30 employed in the first quarter alone. Finally, I would like to point out that the "la Caixa" Foundation will once again earmark around 50 million euros for the implementation, in collaboration with BPI, of the largest private social action programme in Portugal."

LOANS AND RESOURCES KEEP ON GROWING

Mortgage loans portfolio grew 8% YoY and corporate loans 4% YoY

The total portfolio of Customer loans (gross) increased by 5% YoY to 31.5 Bn.€, corresponding to a year-on-year increase of 1.4 Bn.€. The market share in loans remained stable (12.1% in February 25).

The mortgage loans portfolio increased by 8% YoY to 15.7 Bn.€. The new mortgage lending in the first quarter of 2025 amounted to 961 M.€, corresponding to a year-on-year increase of 57% and a market share in new loan production of 18.2% (January-February 25). The market share in terms of the mortgage loans portfolio rose to 14.7%.

The corporate loan portfolio increased by 4% YoY to 12 Bn.€.

It should be noted that BPI provided companies and individuals with around 200 M.€ of sustainable financing in the first quarter.

Customer resources increased by 7% YoY

Total Customer resources increased by 7% YoY (+2.7 Bn.€), amounting 41.1 Bn.€ at the end of the first quarter. Customer deposits increased by 6% YoY to 31.5 Bn.€ (+1.8 Bn.€). Off-balance sheet resources (mutual funds, capitalisation insurance and others) rose by 10% YoY to 9.6 Bn.€ (+0.9 Bn.€).

GROSS INCOME DECREASED

The impact of the downward cycle in market interest rates on net interest income became more evident in the 1st quarter of 2025. Compared to the same quarter in 2024, net interest income fell by 9% (-23 M.€) to 223 M.€, explained by the repricing of loans at lower rates than in the same period last year, which was only partially offset by the positive volume effect of business growth.

Net fee and commission income increased slightly (+2% YoY) to 75 M.€ in the 1st quarter 2025.

As a result, gross income fell by 8% YoY to 292 M.€ in the quarter.

STABLE COSTS

Recurrent operating expenses remained stable (+1%) compared to the same period last year. Staff expenses and other administrative expenses remained unchanged. Depreciation and amortisation increased by 8% YoY. The cost-to-income ratio stood at 37% (in the 12 months to March 2025).

RISK AT HISTORIC LOWS AND COMFORTABLE CAPITALISATION

BPI's financial strength is expressed in a low risk profile, an adequate liquidity position and high levels of capitalisation.

Risk at historic lows

BPI's Non-performing exposures ratio (NPE, EBA criteria) remains at historic lows, at 1.3%, and coverage by impairment and collateral amounts to 152%. The ratio of non-performing loans (NPL, EBA criteria) stands at 1.7% covered by 153% by impairments and collateral.

Loan impairments net of recoveries amounted 24 M.€ in the 1st quarter 2025 (+4 M.€ YoY). The cost of credit risk stood at 0.10% over the last 12 months.

Capital with comfortable buffer

BPI exceeds the minimum requirements demanded by the European Central Bank (ECB) by a significant margin, already incorporating the impact of the Basel IV rules that came into force at the beginning of 2025. At the end of March 2025, BPI had the following capital ratios: CET1 ratio of 13.9%, Tier 1 of 15.3% and total capital of 17.4%; the leverage ratio stood at 7.2%. The MDA Buffer - capital buffer without limitations on profit distribution - amounts to 3.6 p.p.,

considering the capital requirements in force since 1 January 2025.

BPI complies with the MREL ratios:

- The MREL ratio as a percentage of RWA stands at 26.8%, versus the MREL requirement of 25.23%.
- MREL ratio as a percentage of LRE (Leverage Risk Exposure) of 12.7%, versus a requirement of 5.91%.

MORE DIGITAL CLIENTS AND SALES

BPI's digital banking continues to grow, with a strong increase in the number of signed-up clients. BPI's digital channels registered 977 thousand users at the end of March 2025, with significant take-up of the mobile channel, which has 786 thousand regular users of the BPI App (+59 thousand active users YoY). Around 31% of sales of focus products (mutual funds and retirement-savings plans, prestige products, personal loans, credit cards and stand-alone insurance) to individuals in the last 12 months were initiated on the digital net and mobile channels.

The Bank ranks 2nd in terms of the number of individual clients using digital channels (Net and Mobile)¹.

YOUTH EMPLOYMENT AND STRONG COMMITMENT TO PORTUGAL

Investing in young talent

BPI has reinforced its commitment to invest in employing and retaining young talent. In the first quarter, the bank took on 103 young talents. Between 2022 and March this year, BPI has already recruited almost 400 employees under the age of 30, to increase generational diversity in our teams, boosting innovation and accelerating the digital transformation process.

One of the pillars of this generational renewal has been the success of the BPI Academies. Over the last 3 years, the trainee programme has welcomed 156 young people, 75% of whom have joined Banco BPI across several divisions, including the commercial teams. In April 2025, applications opened for the fourth edition of the BPI Commercial Academy Trainee Programme. Aimed at strengthening BPI's commercial network - including Branches, Corporate Banking and inContact Management - this paid internship programme offers 50 places to young finalists and recent graduates. Scheduled to begin in September 2025 and lasting 12 months, the BPI Commercial Academy offers the potential to join the Bank's staff in different regions of the country, not limited to the major urban centres.

¹ BASEF Banking - February 2025 (main banks).

BPI | "la Caixa" Foundation collaboration

Support for people and society is part of the identity of BPI and the CaixaBank Group, reinforced by the extension of the "la Caixa" Foundation's activities to Portugal in 2018. In 2025, the "la Caixa" Foundation will maintain a budget of 50 million euros for the largest private social investment programme in Portugal. Funding will be provided in collaboration with BPI for social programmes, research and health, culture and science, and education and scholarships.

Two of the social programmes involving both - the BPI "la Caixa" Foundation Awards and the Decentralised Social Initiative - will provide financial support of 7 million euros to boost social responses in all districts and autonomous regions.

May - BPI volunteering month

BPI Volunteering Month kicks off today, 5th May, and will bring together thousands of former and current employees, family members, clients and partners of the Bank to take part in hundreds of initiatives with a positive impact on society and the environment, covering all districts, the Azores and Madeira. To reinforce the impact of this initiative, BPI's Executive Committee supports the participation of employees during working hours (without remuneration loss).

RECOGNITION AND REPUTATION

BPI Private Banking is awarded four Euromoney prizes

BPI Private was voted "Best Private Bank in Portugal" at the Euromoney Global Private Banking Awards 2025. It also won three additional categories: "Portugal's Best for Digital Solutions", "Portugal's Best for Next-Gen" and "Portugal's Best for Succession Planning". BPI Private was also awarded the Global Private Banker WealthTech Awards 2025, in the "Best CRM Initiative" category.

BPI voted Trusted Brand in Banking for the 12th year in-a-row

For the 12th year in-a-row, BPI has been voted the most trusted Portuguese banking brand in the Reader's Digest Selections study. BPI was credited for its quality of service, value for money and the brands' sustainability performance.

BPI wins Five Star Award 2025: "Mortgage Loans" and "Prestige Products"

BPI was awarded two distinctions at the Five Star 2025 Awards, winning the "Mortgage Loans" and "Banking - Prestige Products" categories, the latter for the fourth year in-a-row.

BPI wins "Best Fixed Rate" in ComparaJá.pt's Mortgage Loan Awards 2025

BPI won the "Best Fixed Rate" category in ComparaJá.pt's Mortgage Loan Awards 2025, as it had a very competitive fixed rate throughout the year, according to the organisation.