Bank of Valletta
Office of the Company Secretary
House of the Four Winds,
Triq l-Imtieħen, Il-Belt Valletta VLT 1350 - Malta
T: (356) 2131 2020
E: iro@bov.com **bov.com**

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COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Bank of Valletta p.l.c. pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority:

Quote

QUARTERLY FINANCIAL UPDATE
Financial Year 2026: January to March

EXECUTIVE SUMMARY

The first quarter of 2026 represented a solid start to the financial year for the Bank of Valletta Group, characterised by continued balance-sheet growth, resilient core operating income and disciplined execution of strategic priorities. Performance in the quarter reflects a position where the core operating performance of the group remained highly resilient, underpinned by strong capital position and liquidity profile.

Core income generation remained solid and well supported by Business Activity. Net interest income continued to benefit from sustained growth in customer lending and disciplined treasury management, underpinned by a stable and high-quality funding base. Net fee and commission income remained broadly stable year-on-year, supported by ongoing customer activity across key business lines, further reinforcing the Group's income diversification strategy.

The Bank's profitability for the period was shaped by a limited number of specific, non-recurring factors. In particular, heightened geopolitical tensions towards the end of the quarter led to increased financial-market volatility. While these developments did not have a direct impact on the Bank's core operating activities, customer behaviour or portfolio performance, they resulted in a one-off valuation impact on the Group's equity investment portfolio. The latter portfolio, which is a small proportion of the overall investment book, is held at 'Fair Value Through P/L' and hence the valuation adjustment brought about by external factors was immediately recognised as unrealised loss in the income statement. As a consequence, the Bank recorded a net trading loss of €3.6 million in the first quarter, compared with a gain of €5.5 million in the corresponding period of the prior year. This impact was not material in the context of the Group's overall earnings profile and did not affect the Bank's capital strength or liquidity position.

Profitability for the quarter was also influenced by higher impairment charges, reflecting specific and identifiable credit developments rather than a deterioration in the broader credit environment. The Group recognised an impairment charge of €5.6 million during the period, primarily driven by the continued material growth in the commercial lending book, which attracted incremental expected credit losses, the migration of a small number of exposures into Stage 2 as part of the normal course of business, and a limited number of facilities where provisions were increased to 100% and the exposures transferred off-balance sheet as part of the broader NPL strategy. Notwithstanding these charges, asset-quality indicators remained strong, supported by prudent underwriting standards and disciplined credit-risk management.

Operating costs increased on a year-on-year basis, reflecting planned and targeted investments in people, technology and regulatory infrastructure, consistent with the Group's strategic and cost guidance for FY2026. This also involved the continued, phased deployment of AI applications applied in a measured and responsible manner to enhance operational efficiency. A significant proportion of these investments is aligned with the Bank's digitalisation strategy, including the modernisation of core systems, strengthening of cybersecurity and operational resilience, and the progressive automation and digitisation of customer journeys and internal processes. These initiatives are designed to enhance service quality, data-driven decision-making and scalability, while supporting long-term efficiency gains and cost discipline over the medium term.

The Group's balance sheet continued to expand during the quarter, reaching a new peak, supported by strong inflows in customer deposits and continued growth in both the loan book and treasury assets. Capital and liquidity positions remained exceptionally strong and well above regulatory requirements, providing the Group with substantial financial flexibility to support sustainable growth, absorb potential external shocks and continue executing its strategic priorities.

Overall, while the results were impacted by specific one-off events in terms of bottom line profitability, the first quarter of 2026 demonstrated the resilience of the Group's operating model and the strength of its balance sheet. The Bank remains well positioned to navigate an evolving external environment and continues to be on track to deliver its financial and strategic objectives for the year. In this respect, the Group is confirming the forward-looking guidance provided at the start of the year, with profitability targets being retained in the range of between €210 million and €250 million.

In parallel, the Bank continues to monitor closely the evolving geopolitical environment and its potential transmission channels to the Maltese economy and the financial system. Management's assessment remains that Malta entered the current period of heightened geopolitical uncertainty from a position of relative strength, supported by resilient economic growth, low unemployment, moderating inflation and sound public finances. The Bank maintains enhanced monitoring across key risk dimensions, including market volatility, asset quality, liquidity, funding conditions and operational resilience, with particular attention to external transmission risks such as energy markets, trade flows, investor confidence and financial-market linkages.

The Group's risk-management framework incorporates forward-looking scenario analysis and early-warning indicators to identify emerging stresses at an early stage. To date, these frameworks have not signalled any material deterioration in customer behaviour or portfolio performance. From a balance-sheet perspective, the Bank continues to prioritise income stability through investment in high-quality assets, maintain ample liquidity buffers, and apply a disciplined approach to interest-rate and treasury management. This proactive and structured approach ensures that the Bank remains well positioned to absorb potential shocks and continue supporting customers and the wider economy amid an increasingly uncertain global backdrop.

QUARTERLY RESULTS - MAIN HIGHLIGHTS

The following are the main highlights for the period:

- **Operating environment:** The Maltese economy remained broadly supportive during the quarter, with no material deterioration observed across key sectors or within the Bank's retail and corporate loan portfolios. Macroeconomic conditions remained stable, supported by resilient domestic activity and favourable labour-market dynamics. Against this backdrop, interest-rate developments evolved broadly in line with expectations. While geopolitical tensions towards the end of the quarter increased global uncertainty and financial-market volatility, their impact to date has remained manageable, consistent with recent external shocks, and without observable spill-overs to the Bank's core operating performance or asset quality.

- **Profit before Tax:** Profit before tax amounted to €54.0 million, representing a year-on-year decrease of 20%. Results for the quarter were impacted by a limited number of one-off factors, including a €3.8 million unrealised valuation loss on the Group's equity portfolio arising from financial-market volatility linked to geopolitical developments, and higher impairment charges of €5.6 million driven by specific credit developments. Excluding these effects, the Group's underlying operating performance remained stable.

- **Operating Performance:** Operating income during the first quarter of 2026 remained resilient, with strong growth in net interest income (increased by 8.3%) driven by customer lending and treasury activities, alongside stable net fee and commission income (increased by 1.1%) supported by continued customer activity across core business lines. Operating expenses increased by 17% year-on-year, reflecting planned investment in people, technology and regulatory requirements, consistent with the Group's FY2026 strategic and cost guidance.

- **Balance Sheet Growth:** During the first quarter of 2026, the Group continued to deliver strong balance-sheet growth, with total assets increasing to €17.0 billion, the highest level recorded to date. Growth was driven by sustained expansion in core customer lending alongside continued growth in treasury investments and higher cash balances, all supported by strong funding through customer deposits. This balanced expansion reflects the Group's disciplined approach to liquidity deployment, funding diversification and support of domestic economic activity.

- **Capital and Liquidity:** The Group's capital and liquidity positions remained exceptionally strong throughout the period, with key regulatory ratios well above the minimum requirements. As at the end of March 2026, the Bank's CET1 ratio stood at 20.18% and the Liquidity Coverage Ratio at 385.8%, reflecting prudent balance sheet management and a disciplined approach to risk. The Group's capital base has enabled the Bank to support ongoing growth in the commercial credit book and other strategic investments while maintaining ample buffers to ensure these meet the regulatory requirements of the business.

- **Portfolio Asset Quality:** Asset quality remained strong during the first quarter of 2026, reflecting the Group's disciplined credit-risk management and prudent underwriting standards. The non-performing loan ratio improved to 1.57%, while the NPE coverage ratio stood at a solid 55.1%, underscoring a prudent provisioning stance. Although impairment charges increased on a year-on-year basis, these were driven by customer-specific developments rather than broad-based deterioration, with the overall credit portfolio continuing to demonstrate resilience within a stable domestic economic environment.

- **Issuance of a €300 million Senior Preferred Instrument (subject to regulatory approval):** Preparatory work for this issuance is currently underway including initial market engagement, interaction with potential investors, and preliminary structuring considerations for the instrument. The proposed issuance forms an integral part of the Group's long-term funding strategy and is aligned with the Group's objective of supporting ongoing growth initiatives and broader strategic development plans.

  Active discussions with stakeholders have commenced, focusing on prevailing market conditions, execution options and overall transaction positioning. Initial market engagement has taken place to assess investor appetite and refine key structural considerations including a dedicated investor roadshow in London, enabling direct engagement with international institutional investors and providing valuable feedback to inform the transaction strategy.

  Further details relating to the structure, timing, and key terms of the issuance will be communicated in due course, and in any event no later than the end of FY 2026, subject to the receipt of the necessary regulatory approvals and in full compliance with applicable disclosure requirements.

- **Share Buyback Programme:** During 1Q 2026, the Bank continued with its authorised share buyback programme. Over the quarter, the Bank repurchased 173,738 shares at an average price of €2.06, deploying approximately €0.36 million from the €7.8 million reserve allocated to this initiative. The share buyback programme contributed to enhancing liquidity in the Bank's equity, with the Bank's repurchases facilitating approximately 5.4% of the shares traded during the period. Overall trading volumes increased by 19.2% compared to 1Q 2025.

- **Share Price Performance:** During the 3-month period ending March 2026, the Bank's share price continued to reflect sentiment, supported by the Group's strong capital position, resilient operating performance and disciplined strategic execution. The share price remained broadly stable to slightly higher reflecting investor confidence amid a period of heightened global uncertainty. During the quarter, the share price reached highs of €2.14 with the overall equity market performance during the period remaining resilient contributing towards a strong market capitalisation.

- **Financial Outlook:** The Group remains on track to deliver a profit before tax for FY2026 in the range of €210 million to €250 million, in line with previous guidance. Reflecting our ongoing commitment to shareholder value, the Bank intends to retain its policy of distributing up to 50% of after-tax profits, subject to prevailing market conditions.

SHORT-TERM ECONOMIC OUTLOOK

The most significant international development in the first quarter of 2026 was the renewed escalation of geopolitical tensions in the Middle East, which led to higher global energy prices and renewed concerns about supply-chain disruptions. BOV monitored developments closely and engaged with key clients to assess evolving conditions. Importantly, the Bank did not experience any material deterioration in the quality of its retail or corporate loan portfolios, and the impact remains comparable to shocks experienced in recent years.

Prior to the escalation, Malta's economic outlook was benign, providing a buffer against external shocks. The country's fixed-price energy policy, supported by strong fiscal buffers, continued to shield households and businesses from energy price volatility. Economic indicators released during the quarter confirmed the resilience of the Maltese economy, with no material disruption evident, including from higher US tariffs.

Interest rates evolved as expected during the first quarter, with the European Central Bank maintaining its Deposit Facility Rate at 2%. However, uncertainty has since increased, and future rate adjustments cannot be ruled out, depending on how energy price pressures evolve.

Notwithstanding this, and as previously communicated, BOV confirms that base rates applicable to its credit portfolio will remain unchanged up to end-June 2026, when the next review will be held. As Malta's largest bank, BOV continues to follow a robust interest-rate-setting framework that considers financial stability, market conditions, and clients' interests. The Bank's strong liquidity position also provides resilience in a changing interest rate environment.

Against this backdrop, BOV expects economic conditions in Malta to remain broadly supportive and maintains positive expectations for its financial performance in 2026, despite heightened geopolitical uncertainty.

FINANCIAL PERFORMANCE HIGHLIGHTS

The table hereunder provides a snapshot of the Group's financial performance over the period under review.

	Net Interest Income	Net fee & Commission income	Profit before tax	Return on Average Equity Ratio (pre-tax) *	Cost to Income Ratio	Gross Loans to Deposit Ratio	CET 1 Ratio
	€m	€m	€m	%	%	%	%
1Q 2026	100.2	20.2	54.0	14.2%	51.8%	59.5%	20.2%
1Q 2025	92.5	20.0	67.1	17.9%	44.7%		
Dec-25						59.0%	20.9%
Change in €	+7.7	+0.2	-13.1				
Change in %	+8.3%	+1.1%	-19.5%	-3.7pp	+7.0pp	+0.5pp	-0.7pp

*ROAE is calculated as annualised Profit Before Tax divided by the average shareholders' equity since beginning of year.

- **Profit Before Tax (PBT):** Profit before tax for the first quarter of 2026 amounted to €54.0 million (1Q2025: €67.1 million), representing a decrease of €13.1 million, or 20%, compared to the corresponding period last year. While operating income continued to grow, profitability for the quarter was impacted by a limited number of specific factors, including higher operating expenses in line with the cost trajectory outlined in the Group's FY2026 guidance, customer-specific impairment charges, and lower trading performance. The latter reflected valuation movements on listed equity positions arising from heightened financial-market volatility during the period, as well as valuation adjustments on longer-term strategic equity investments. As a result, the return on average equity (pre-tax) declined to 14.2%, down by 3.7 percentage points compared to the same period in 2025.

- **Earnings Per Share (EPS):** As a result of the Group's lower profitability when compared to the same period last year, the quarterly EPS decreased to €0.056 for 1Q2026 compared with €0.069 for the same period in 2025 (restated for bonus issue implemented in 2Q2025). The decrease reflects the lower profit before tax reported for the quarter as well as the ongoing share buyback programme, which partially mitigated the year-on-year decline. At the end of March 2026, 737,770 shares have been repurchased in totals since the programme initiation, which are now held as Treasury Shares.

- **Net Interest Income (NII):** NII for the first three months of 2026 amounted to €100.2 million, representing an increase of €7.7 million or 8.3% (1Q2025: €92.5 million). This increase is partly attributable to the ongoing reallocation of cash balances from short-term to long-term instruments, thereby expanding the Bank's investment portfolio and reinforcing this income stream for sustained financial performance. Growth was recorded in both loans and advances to customers underscoring the relevance of BOV's products within the lending sector and equally important income from

disciplined treasury management. This was achieved notwithstanding a higher interest expense arising from subordinate bond issuances completed after the first quarter of 2025. Overall, NII performance remains consistent with the Group's expectations, which anticipates a moderately higher NII profile supported by balanced growth and balance-sheet management.

- **Net Fee and Commission Income (NFCI):** NFCI for the 1Q2026 is reported at €20.2 million, a marginal increase of 1.1% from the same quarter last year. This performance reflects resilient customer activity with continued strength in cards and credit-related fees, consistent with ongoing shifts towards electronic and card-based payment solutions. This income stream remains part of the diversification strategy of the Group and has evolved into a core pillar of operating income, contributing to 17% of total operating revenues amid a competitive and cost-conscious market environment.

- **Costs:** Operating costs as at end of March 2026 totalled €61.7 million (1Q2025: €52.8 million) consistent with the average recorded in the previous financial year, and within expected guidance levels. This represents an increase of €8.9 million or 17% when compared to FY2025 Q1 levels and is the result of continued execution of the Group's strategic, digital and regulatory agenda. The increase was driven primarily by higher personnel costs, reflecting higher number of personnel, targeted initiatives to attract and retain key talent, underscoring the Group's ongoing commitment to its people. In addition, higher IT costs were incurred to support systems reliability, cybersecurity resilience and operational stability. Depreciation charges also increased following the capitalisation of ongoing strategic projects as they transition into use, while regulatory-related costs rose, particularly contributions to the Depositor Compensation Scheme, reflecting both the growth in customer deposits compared to the same period last year as well as the introduction of a new management expenses contribution fee applicable as from 2026 onwards. As a result, the cost-to-income ratio increased to 51.8% (1Q2025: 44.7%), remaining consistent with the expected low-to-mid-50% range outlined in the forward guidance, before anticipated efficiency benefits are progressively realised over the medium-term.

- **Expected Credit Losses (ECL):** The Group recorded a higher expected credit loss (ECL) charge of €5.6 million in the first quarter of 2026 (1Q2025: charge of €0.2 million), reflecting the recognition of customer-specific impairment charges. The increase was driven by a limited number of identifiable credit developments rather than any broad-based deterioration in the underlying credit portfolio. In particular, the charge reflects the continued material growth in the commercial lending book, which attracted incremental ECL, the migration of selected exposures into Stage 2, and a small number of facilities where provisions were increased to full coverage and the exposures subsequently transferred off-balance sheet.

  Notwithstanding these movements, asset-quality indicators remained strong. The non-performing loan ratio improved to 1.57% as at March 2026 (December 2025: 1.68%), while the ECL coverage ratio for credit-impaired assets stood at 55.1% (December 2025: 59.4%), reflecting a prudent and disciplined provisioning approach alongside improving portfolio dynamics. Overall, the ECL

outcome for the quarter remains consistent with the Group's conservative credit-risk appetite and robust risk-management framework within a stable domestic economic environment.

- **Profits from Associates:** The share of profit amounted to €2.2 million (1Q2025: €2.0 million) for the period, contributing positively to the Group's results and reflecting stable underlying performance of such investments providing diversification to the Group's earnings profile.

FINANCIAL POSITION OF THE GROUP

- **Total Assets:** Total assets stood at €17.0 billion in March 2026 (December 2025: €16.5 billion) representing a new peak level for the Group, up by approximately half a billion or 3% over the three-month period. This growth reflects sustained balance-sheet expansion, consistent with the Group's strategic focus on supporting domestic economic activity while maintaining strong liquidity and funding discipline. The increase was driven primarily by growth in the loan book and higher holdings of debt securities alongside a rise in balances held with the Central Bank of Malta during the period, supported by strong inflows in customer deposits. This growth is testament to the Group's continued ability to deploy liquidity effectively in a resilient domestic economic environment, underpinned by sustained customer confidence and a stable retail deposit base.

- **Cash and Short-Term Funds:** As at the end of March 2026, the Group reported a balance of €1.0 billion (December 2025: €0.9 billion) reflecting a marginal increase driven by strong inflows from customer deposits. Maintaining appropriate levels of liquidity remains key to support day-to-day operational requirements, meeting regulatory metrics, alongside ongoing balance-sheet growth. The Group continues to actively manage liquidity through a balanced allocation between cash holdings and interest-earning assets, ensuing adequate flexibility while optimising returns in line with prevailing market conditions. Overall, the level of cash and short-term funds remains consistent with strong liquidity position, particularly LCR and NSFR positions.

- **Treasury Investments:** The Group's Treasury portfolio has now reached the €7.0 billion mark at the end of the first quarter of 2026, with an increase of €119.3 million or 1.7% (December 2025: €6.9 billion). This reflects the Group's deployment of excess liquidity into high-quality debt securities representing 41% of total assets. Treasury investments represent a significant component of the Group's balance sheet and forms an integral part of the Group's core banking and liquidity management activities. Portfolio growth was supported by inflows from deposits and undertaken within a context of a stable domestic environment, while maintaining a cautious approach in light of ongoing geopolitical uncertainty. Treasury investments remain a key component of the Group's earnings and liquidity strategy, supporting Net Interest Income resilience while maintaining a conservative risk profile and strong regulatory liquidity buffers.

- **Net Loans and Advances to Customers:** The credit portfolio (on a net basis and including Fair Value through Profit and Loss loans) continued to grow at a steady pace, with the balance reaching €8.3 billion at the end of the quarter (December 2025: at €8.0 billion), representing 49% of the Group's

total assets. This reflects strong momentum in customer lending and reinforces the central role of credit activity within the Group's core banking operations. Growth was driven primarily by home loans with business and consumer lending also increasing, albeit at a more measured pace. As a result, the Group continued to improve the utilisation of its funding base, with the gross loan-to-deposits ratio increasing marginally from 59.0% in December 2025 to 59.5% during the quarter.

- **Customer Deposits**: Deposits experienced another significant increase of €351.9 million or 2.6% during the first quarter of 2026, surpassing the €14.1 billion mark (December 2025: 13.7 billion). This continuing upward trend reflects the strength of the Group's retail franchise driven by an increase in both retail and business deposits. As a result, BOV Group maintained very strong liquidity position, with the LCR ratio of 385.8% (December 2025: 384.7%) well above the minimum regulatory requirements. The deposit profile continues to provide a solid foundation of sustainable growth.

- **Long-Term Liabilities:** The Group's long-term liabilities, comprising both subordinated and unsubordinated instruments (including accrued interest) stood at €904.8 million at the end of March 2026 remaining broadly in line with the position at the end of December 2025. These instruments form an integral part of the Group's core operating model, providing stable funding to support customer lending and treasury investment activities while also meeting regulatory and capital requirements. The long-term funding structure continues to reinforce the Group's strong capital and liquidity position, enhance funding diversification, and provide resilience amid evolving market and geopolitical conditions.

- **Total Group Equity:** The Group's total equity closed at €1.5 billion marginally higher from December 2025 with the Net Asset Value per share standing at €2.4 per share (December 2025: €2.3 per share), further strengthening the underlying book value position. The Group's capital ratios remained strong and comfortably above regulatory requirements, with the CET 1 and total capital ratios as of March 2026 at 20.18%[1] (December 2025: 20.88%) and 28.32%[1] (December 2025: 29.32%), respectively.

STRATEGY IMPLEMENTATION UPDATE

From a strategic standpoint, the first quarter of 2026 marked a period of disciplined execution and consolidation for BOV, as the Group entered the final year of its current strategic cycle. Building on the strong financial and operational momentum delivered throughout 2025, the Bank remained focused on translating strategy into sustainable outcomes.

During the quarter, execution efforts remained aligned to strategic themes established in the current cycle, namely business optimisation, customer experience enhancement, regulatory and risk discipline, and investment in data and technology as critical enablers. Whilst the overall trajectory remained positive**,** delivery effort became more concentrated around a limited number of large interdependent programmes requiring closer sequencing and prioritisation due to execution

[1] The capital ratios are exclusive of profits for the first quarter. Retained earnings are added to the capital ratio computations upon publication of the interim and annual results.

complexity. The Board noted recovery in some areas and emerging pressure in a limited subset of complex programmes. Executive governance ensured disciplined prioritisation and focus on the Bank's critical programmes aligned with key capabilities required to deliver them.

Importantly, 1Q 2026 also reflected a maturing execution environment, with improved coordination across functions and a strong emphasis on delivery discipline, benefits realisation, and accountability. As the strategy cycle approaches completion, management focus increasingly shifted towards ensuring that strategic initiatives are closed out effectively, embedded sustainably, and positioned to support long-term value creation beyond the current plan horizon.

In parallel with execution, in the first quarter of 2026 the Bank gained momentum with the structured preparations for the Bank's next strategic cycle, covering the 2027–2029 period. This preparatory phase has been characterised by reflective assessment and forward-looking design, drawing on lessons learned from the current cycle, emerging market dynamics, evolving regulatory expectations, and the Bank's strengthened internal capabilities that will compliment and reinforce the Bank's long-term purpose and stakeholder expectations. By commencing formulation work early, BOV is positioning itself to enter the 2027–2029 cycle with clarity, continuity, and execution readiness, ensuring that strategic ambition is both credible and deliverable from the outset.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) UPDATE

During the first quarter of 2026, BOV continued to advance its sustainability agenda, strengthening governance, refining risk management practices, and progressing its climate and social initiatives in line with evolving EU sustainability requirements.

As a large, listed undertaking, BOV falls within the scope of the Corporate Sustainability Reporting Directive (CSRD). Due to the non-transposition of CSRD into Maltese legislation during 2025, the Bank published sustainability disclosures in line with the Non-Financial Reporting Directive (NFRD) as part of the Group Financial Statements 2025. In preparation for the legal notices issued in Q1 2026, the Bank is preparing a comprehensive Sustainability Report aligned with the European Sustainability Reporting Standards (ESRS) and is underpinned by a robust Double Materiality Assessment covering impacts, risks and opportunities across the Bank's operations and value chain.

Building on its sustainability strategy, BOV progressed the development of its climate transition plan. The plan focuses on a comprehensive Greenhouse gas (GHG) inventory, target setting, scenario and resilience analysis, and portfolio alignment. A key priority for the 2024–2026 period remains the reduction of Scope 1 and Scope 2 emissions, supported by the Bank's decarbonisation strategy covering energy efficiency measures, building upgrades, renewable energy installations and increased digitisation of processes.

In parallel, BOV continued to enhance the integration of climate related and environmental risks within its risk management framework. This includes the use of advanced modelling tools to assess physical and transition risks, climate stress testing aligned with Network for Greening the Financial System

(NGFS) scenarios, and the monitoring of high-risk sectors through Pillar 3 ESG disclosures. Additionally, BOV has progressed its work on integrating climate-related risks into capital planning by developing an economic-perspective climate stress testing approach for economic capital within the ICAAP. The Bank has also designed and applied a forward-looking climate scenario overlay across transition and physical risk scenarios.

BOV is currently integrating the relevant EBA guidelines on ESG risk management and the guidelines on scenario analysis into its risk management framework, to ensure that ESG risks are identified, assessed, monitored and managed in a consistent and forward-looking manner.

Overall, Q1 2026 marked a further step in embedding sustainability into BOV's strategy, risk management and decision-making processes, reinforcing the Bank's commitment to responsible banking, regulatory preparedness and long-term value creation for stakeholders.

CONCLUDING REMARKS AND FINANCIAL OUTLOOK

The first quarter of 2026 highlighted Bank of Valletta's disciplined execution, robust underlying fundamentals and the resilience of its operating model in a period marked by heightened external uncertainty. The Group delivered solid operating performance, continued balance-sheet growth and maintained sound asset quality, supported by a stable domestic environment, sustained customer confidence and a diversified business model centred on customer lending and treasury activities.

As the Group enters the final year of its 2024–2026 strategic cycle, management remains focused on consolidating the Bank's position as the leading financial institution in the local market, while laying the groundwork for the next strategic phase. Key initiatives are progressing from implementation into value realisation, with flagship programme rollouts expected to further enhance customer experience, strengthen data-driven decision-making and improve operational efficiency. These initiatives are underpinned by a strong capital and liquidity position, providing the Group with the financial flexibility to pursue its strategic priorities and absorb potential external shocks.

Looking ahead, the Bank continues to closely monitor macroeconomic, geopolitical and regulatory developments and remains confident in its ability to navigate a dynamic operating environment. In line with the financial outlook communicated in the December 2025 Company Announcement, the Group remains on track to deliver its FY2026 targets and continues to execute with discipline against its stated financial and strategic objectives, with a clear focus on sustainable value creation for all stakeholders.

The Bank thanks its shareholders, customers and partners for their continued trust and support, and its employees for their ongoing commitment and professionalism.

NOTES

The financial information on which this Quarterly Financial Overview is based, is extracted from unaudited accounts of the Group which are prepared in accordance with the Group's accounting policies as described on pages 85 to 102 of 2025 ESEF Annual Report & Financial Statements.

Unquote



Dr. Ruth Spiteri Longhurst B.A., LL.D.
Company Secretary

29 April 2026

BOV
Bank of Valletta

Statements of profit or loss

for the three months ended 31 March

	The Group		The Bank	
	Mar-26	Mar-25	Mar-26	Mar-25
	€000	€000	€000	€000
Interest and similar income				
- on loans and advances	73,425	68,093	73,425	68,093
- on debt, other fixed income instruments and derivatives	42,838	37,675	42,838	37,675
Interest expense	(16,103)	(13,317)	(16,103)	(13,317)
Net interest income	**100,160**	**92,451**	**100,160**	**92,451**
Fee and commission income	25,299	24,172	23,079	22,061
Fee and commission expense	(5,080)	(4,177)	(5,080)	(4,177)
Net fee and commission income	**20,219**	**19,995**	**17,999**	**17,884**
Dividend income	2,215	62	6,615	4,362
Trading (loss)/profit	(3,586)	5,495	(3,592)	5,516
Net (loss) on investment securities and hedging instruments	(13)	-	(13)	-
Other income	62	-	74	-
Operating income	**119,057**	**118,003**	**121,243**	**120,213**
Employee compensation and benefits	(36,803)	(31,480)	(36,130)	(30,825)
General administrative expenses	(19,483)	(16,263)	(19,005)	(15,830)
Amortisation of intangible assets	(3,231)	(3,216)	(3,231)	(3,205)
Depreciation	(2,139)	(1,837)	(2,137)	(1,834)
Net impairment charge	(5,634)	(170)	(5,634)	(170)
Operating profit	**51,767**	**65,037**	**55,106**	**68,349**
Share of results of equity-accounted investees, net of tax	2,194	2,022	-	-
Profit before tax	**53,961**	**67,059**	**55,106**	**68,349**
Income tax expense	(18,119)	(22,717)	(19,287)	(23,922)
Profit for the period	**35,842**	**44,342**	**35,819**	**44,427**
Earnings per share [1]	5.6c	6.9c		

[1] *The comparative earnings per share have been restated to take into consideration the total number of shares following the bonus issue.*

BOV
Bank of Valletta

Statements of financial position

as at 31 March

	The Group		The Bank	
	Mar-26	Dec-25	Mar-26	Dec-25
	€000	€000	€000	€000
ASSETS				
Balances with Central Bank of Malta, cash and other related assets	1,013,257	921,224	1,013,257	921,224
Investments and loans and advances to customers at fair value through profit or loss	81,038	89,238	79,818	87,847
Derivative financial assets	2,514	2,987	2,514	2,987
Investments at amortised cost	6,903,251	6,781,209	6,903,251	6,781,209
Investments at fair value through other comprehensive income	76,927	73,830	76,927	73,830
Loans and advances to banks	260,222	258,754	260,222	258,754
Loans and advances to customers at amortised cost	8,263,812	7,985,473	8,263,812	7,985,473
Investments in equity-accounted investees	126,787	124,577	72,870	72,870
Investments in subsidiary companies	-	-	6,230	6,230
Intangible assets	37,552	40,980	37,552	40,980
Property and equipment	168,628	172,205	168,600	172,179
Deferred tax	28,917	28,954	28,927	28,963
Other assets	64,442	50,892	62,984	48,105
Total Assets	**17,027,347**	**16,530,323**	**16,976,964**	**16,480,651**
LIABILITIES				
Derivative financial liabilities	3,788	4,568	3,788	4,568
Amounts owed to banks	128,370	99,894	128,370	99,894
Amounts owed to customers	14,092,492	13,740,565	14,096,605	13,745,110
Current tax	55,891	37,580	55,520	37,309
Deferred tax	8,291	8,291	8,291	8,291
Other liabilities	279,016	233,095	278,405	232,593
Provisions	21,094	17,554	21,094	17,554
Unsubordinated debt securities in issue	360,503	351,659	360,503	351,659
Subordinated liabilities	544,341	540,143	544,341	540,143
Total Liabilities	**15,493,786**	**15,033,349**	**15,496,917**	**15,037,121**
EQUITY				
Called up share capital	642,234	642,234	642,234	642,234
Share premium account	49,277	49,277	49,277	49,277
Revaluation reserves and other components of equity	100,150	99,083	100,038	98,973
Retained earnings	741,900	706,380	688,498	653,046
Total Equity	**1,533,561**	**1,496,974**	**1,480,047**	**1,443,530**
Total Liabilities and Equity	**17,027,347**	**16,530,323**	**16,976,964**	**16,480,651**