

Announcement

Alpha Bank Cyprus Ltd participates in the state Interest Rate Subsidy Scheme for New Business Loans

Alpha Bank Cyprus Ltd continues to support the economy and to contribute toward mitigating the effects of the Covid-19 pandemic by participating in the **Interest Rate Subsidy Scheme for New Business Loans**, provided in the form of State aid to Self-Employed individuals, Micro, Small and Medium-Sized and Large Enterprises.

The government Scheme provides for the subsidy of the interest rate of **New Business Loans** approved in the period from **1.3.2020** until **31.12.2020**, to cover needs related to working capital and/or investments within the Republic of Cyprus. The Scheme also applies to loans to be disbursed by 31.12.2020 through the European Investment Bank, the Cyprus Entrepreneurship Fund and the Pan-European Guarantee Fund.

The maximum duration of the interest rate subsidy is **four years**, at a rate of up to 3.50% for the first two years. In the following 2 years, the interest rate subsidy is as follows:
- 2.00% for Self-Employed individuals, Micro, Small and Medium-Sized Enterprises and
-1.50% for Large Enterprises.

The maximum loan amount to be granted per self-employed individual and enterprise stands at **Euro 800,000**.

For businesses operating in the fisheries and aquaculture sectors, the total loan amount cannot exceed Euro 120,000 per enterprise. Respectively, for businesses operating in the primary production of agricultural products, the total loan amount cannot exceed Euro 100,000 per enterprise.

Beneficiaries of the Scheme include all non-problematic enterprises (Micro, Small, Medium-Sized, Large and Self Employed) as at 31 December 2019 which are currently facing financial difficulties as a result of the Covid-19 pandemic. The production of a certificate by an accountant confirming that the enterprise was not already problematic (within the meaning of the general exemption regulation by category) as at 31 December 2019 is a precondition for participation in the Scheme.

Business loans whose interest rate is subsidized through other Government schemes as well as new loans resulting from restructurings are excluded from the scheme.

In order to participate in the Scheme, interested persons must submit to the Bank certificates from the Tax Department and the Social Insurance Services regarding their tax dues, as well as for any other obligations to the Republic of Cyprus. The date of the certificate must not be older than 30 days from the date of submission of the application.

Nicosia, 16 July 2020