

Company Announcement – 12/08/2025

The following is a company announcement issued by MeDirect Bank (Malta) plc (the “Bank”) pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

Quote

On 12 August 2025, the Board of Directors of MeDirect Bank (Malta) plc considered and approved the condensed Interim Financial Statements of the Bank for the six-month financial period ended 30 June 2025. These Interim Financial Statements are available for viewing and downloading on the Bank’s website under the Investor Relations section (<https://www.medirect.com.mt/about-us/investor-relations/>).

2025 Interim Results – Highlights

New products and services drive enhancements to MeDirect’s platform

During the first half of the year, MeDirect continued to improve its best-in-class digital platform, which enables clients to manage their wealth with confidence and autonomy.

- The launch of MeDirect’s Open Architecture Model Portfolios in Malta, Belgium and the Netherlands. This innovative service allows customers to choose from a range of globally diversified portfolios, managed by market leading portfolio managers, tailored to different risk profiles ranging from cautious to dynamic.
- The introduction of seamless asset transfer capabilities that make it easier than ever for clients to consolidate their investment portfolios under the MeDirect platform. New and existing customers can now transfer portfolios from other banks or wealth managers to MeDirect through a streamlined process, simply by completing an Asset Transfer Form and providing a holdings statement. MeDirect handles the entire transfer on the client’s behalf and reimburses third-party transfer-out fees.
- Enhancements to MeDirect’s digital payments platform with the introduction of a feature-rich card management system that gives clients greater control and security over their debit cards. New card controls implemented initially in Malta, allow customers to set custom spending limits, enable or disable online transactions and restrict card usage by geography directly via the MeDirect mobile app or online banking.
- Updates to MeDirect’s omni-channel digital banking platform with new self-service features to its mobile app, including the ability for clients to view and update their personal details and account preferences, bringing the app’s functionality in line with the desktop online banking portal.

Further growth in MeDirect's customer franchise

During the first six months of 2025, MeDirect remained focused on building its profile through multi-channel advertising and communication campaigns.

- The Group's client base grew by 12% since 30 June 2024 to reach 160,000 customers (Jun 2024: 143,000), with a current client base of 122,000 in Belgium, 34,000 in Malta and 4,000 in the Netherlands.
- Personal and corporate clients have continued to grow their financial assets with MeDirect, reaching an aggregate of €6.0 billion of financial assets held with MeDirect in June 2025, an increase of 12% since June 2024 (Dec 2024: €5.9 billion).
- Assets under custody amounted to €2.1 billion, a 12% increase from €1.9 billion in June 2024 (Dec 2024: €2.1 billion).

Financial results, capital and liquidity position

- The Group recorded net operating loss of €1.6 million in the first six months of 2025 (1H 2024: €5.4 million profit). Net operating profit was driven by the following factors:
 - Operating income decreased by €5.1 million, or 11.4%, to €39.6 million (1H 2024: €44.7 million), mainly as a result of continued de-risking of the Group's balance sheet through ongoing reduction of the International Corporate Lending ("ICL") portfolio. This resulted in lower net interest income of approximately €10 million. All sectors of mortgage lending and Maltese corporate lending generated solid year over year growth, supported by lower interest expense. Operating income also benefited from higher fees generated from the wealth business and other commissions.
 - Operating costs grew by €1.9 million to €41.2 million (1H 2024: €39.3 million), mainly as a result of €3.2 million increase in regulatory costs, such as the Depositor Compensation Schemes and supervisory fees in Belgium and Malta. It is noteworthy that the full-year impact of certain regulatory charges are recognised in the first half results. Excluding regulatory expenses, the remaining operating costs decreased by €1.3 million, or 4.0%, when compared with the same period of 2024 driven by lower personnel and amortisation costs.
- Net expected credit losses ("ECLs") for the six-month period ended 30 June 2025 amounted to a €2.3 million net charge (1H 2024: €6.0 million net charge), predominantly as a result of adverse changes within the ICL portfolio.
- With a net operating loss of €1.6 million and an ECL charge of €2.3 million, the Group's net result for the first half of 2025 was a loss before tax of €3.9 million (1H 2024: €0.6 million loss before tax).
- As at 30 June 2025, the Group's Non Performing Loan ("NPL") ratio was reduced to 1.6%, from 2.2% as at 31 December 2024.
- MeDirect's capital and liquidity positions remained adequate. As at 30 June 2025:
 - MeDirect's Tier 1 capital ratio stood at 17.0%, with a total capital ratio of 20.2%, both well above applicable regulatory requirements.

- The Group's Liquidity Coverage Ratio stood at 168% (minimum requirement of 100%), and its Net Stable Funding Ratio stood at 118% (minimum requirement of 100%).

Balance sheet position

- The Group's balance sheet grew by 0.9% in first half of 2025 and stood at €5.12 billion (December 2024: €5.07 billion).
- In the first six months of 2025, the ICL portfolio was reduced by a further 28%, to €149 million (net of provisions).
- MeDirect grew its aggregate gross mortgage portfolio by 4% to €2.8 billion, mainly driven by:
 - MeDirect's Dutch-government guaranteed NHG mortgage activity which comprises 40% of the Group's total balance sheet. MeDirect's partnership with HollandWoont, a leading Dutch NHG origination and servicing platform, enables it to control the origination of NHG mortgages based on its strategic priorities and market conditions.
 - MeDirect's Dutch buy-to-let mortgage portfolio, in partnership with Build Finance, reached almost €140 million as at 30 June 2025. Using the Build Finance platform, MeDirect is growing its Dutch buy-to-let business in a controlled manner and benefits from attractive risk-adjusted returns.
 - MeDirect further expanded its Belgian and Maltese mortgage lending businesses, which grew 17% and 7% respectively during the last six months.
- The corporate lending portfolio in Malta grew by 14% during the first half of 2025, demonstrating continued support of local businesses through fully collateralised facilities.

Focus on ESG

- During the first half of the year, MeDirect published its ESG Strategy for 2026-2030, which included a climate transition plan, and a corporate sustainability report, prepared in alignment with the Corporate Sustainability Reporting Directive.
- During the first half of 2025, MeDirect embedded ESG screening into its lending, procurement, corporate business and treasury operations.
- MeDirect and its employees continue to contribute actively to the community by supporting numerous charitable organisations, renewing sponsorships for cultural and sporting organisations and engaging in various community activities.
- MeDirect continues to play an active role in the Malta ESG Alliance, a platform for Maltese businesses which enables them to work together to lead and drive national ESG goals.
- EcoVadis, a renowned sustainability rating provider, awarded MeDirect the distinguished Gold Medal, ranking it within the top five per cent of all rated companies.

Looking ahead

A decision by MeDirect's regulators on the prospective acquisition of MeDirect by Banka CREDITAS a.s. ("Banka CREDITAS") is anticipated during the second half of 2025. All regulatory filings required to



complete the acquisition have been made with the Malta Financial Services Authority and the National Bank of Belgium, and the application of Banka CREDITAS to acquire MeDirect is currently being reviewed by the European Central Bank. The completion of this acquisition is expected to provide MeDirect with a strong controlling shareholder, committed to expanding its capital base and facilitating its sustainable growth plans.

Notwithstanding the uncertainty surrounding its future ownership and its limited resources, MeDirect has been able to execute its business plan of de-risking and rebalancing its balance sheet. MeDirect has also been able to continue to develop its cutting edge, high quality digital customer platform. This transformation process has created a solid base on which a new shareholder can build.

With additional resources that will be brought by the completion of the Banka CREDITAS acquisition and its injection of new capital into the Group's business, MeDirect expects to be able to commence a new period of growth and sustainable profitability that will build upon the solid base that has been created through the dedication and hard work of MeDirect's staff, management and Board.

MeDirect looks forward to working with Banka CREDITAS to build MeDirect's businesses in its core markets and to continuing to build and enhance its technology and digital banking platform.

Unquote

A handwritten signature in blue ink, appearing to read "H. Schmeltzer".

Henry Schmeltzer
Company Secretary

12 August 2025