COMPANY ANNOUNCEMENT – 29/07/2026

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

Quote

Following the issuance of Company Announcement MED166, on 29 July 2026, the MeDirect's Board of Directors considered and approved the condensed Interim Financial Statements for the six-month financial period ended 30 June 2026.

These Interim Financial Statements and the MDB Group Limited ("MDB Group") Interim Financial Statements for the six-month financial period ended 30 June 2026 are available for viewing and downloading on the MeDirect's website under the Investor Relations section (https://www.medirect.com.mt/about-us/investor-relations/).

2026 Interim Results – Highlights

- **Return to profitability.** The Group recorded a profit before tax of €2.4 million (1H 2025: loss before tax of €3.9 million), reflecting growth across its core lending and wealth businesses following completion of the balance sheet de-risking.
- **Balance sheet growth of 9%.** Total assets grew by €481 million to €5.8 billion, with net lending up 7.5% to €3.2 billion.
- **A strengthened capital base.** A €23.4 million common equity tier 1 ("CET1") contribution from the shareholder reinforced the Group's capital position, supporting continued growth.
- **Continued client franchise expansion.** The registered client base grew ~15% year-on-year to approximately 184,000, with client financial assets held with MeDirect rising to €7.3 billion as the shift towards the Group's wealth proposition continued.
- **Record digital engagement, delivered reliably.** Platform logins rose 57% to 6.87 million and clients executed close to 400,000 trades, almost double the prior period, while core client services maintained a high level of availability across both markets throughout.
- **External recognition.** The Group won the Digital Savings and Investing Platform Excellence Award 2026 (Europe) by Capital Finance International, with the judging panel highlighting the strength of its client franchise, financial position and governance framework.

The six-month financial period ended 30 June 2026 were the first full reporting period in which the Group operated under its controlling shareholder, Banka CREDITAS, which completed its acquisition of the Group in September 2025 following approval by the European Central Bank. Banka CREDITAS forms part of the privately owned CREDITAS Group, an investment group with interests in financial services, real estate and energy, and provides the Group with a strategically aligned and financially strong shareholder committed to strengthening its capital base and supporting its growth.

The Group's strategic direction is unchanged, and the capital provided by Banka CREDITAS gives it the means to advance it with greater momentum. That direction rests on three pillars:

- consolidating and growing the Group's position in its existing core markets;
- leveraging its technology platform to accelerate the delivery of its business model; and

- continuing to build sustainable profitability around its principal business lines - retail and wealth, and relationship-based business banking.

Continued investment in the Group's digital platform

During the first half of the year, the Group's technology platform continued to play a central role in supporting growth and client engagement. Client activity increased significantly across all key measures, with:

- platform logins amounted to 6.87 million, an increase of 57% when compared with the first half of 2025;
- clients executing close to 400,000 trades, almost double the number in the comparative period;
- the Group processing 572,000 payment transactions, 49% more than in the first half of 2025, with a settled value of €2.97 billion, broadly balanced between Malta and Belgium;
- Instant Single Euro Payments Area ("SEPA") remaining the dominant channel for retail flows, reflecting MeDirect's early adoption of real-time payments infrastructure; and
- the mobile channel accounting for 91.1% of logins in June, up from 87.2% in January, highlighting the continued success of the Group's mobile-first strategy.

MeDirect delivered and brought into operation a series of enhancements to the functionality, resilience and security of its digital platform. The Group:

- introduced enhanced device verification, device profiling and anomaly-behaviour assessment capabilities around payment and card-management activity, allowing the Group to identify and interrupt behaviour inconsistent with a client's established profile;
- re-engineered the mobile application pairing journey with biometric activation controls and strengthened runtime protections, reinforcing the security posture of the mobile channel without introducing friction for clients;
- consolidated its market-data sourcing through the appointment of a leading institutional provider as primary source for bond, equity, exchange-traded fund and Maltese instrument pricing, complemented by a specialist source for mutual funds, improving the timeliness, consistency and quality of pricing data across the platform and strengthening the resilience of a data supply chain on which valuation, client reporting and trading all depend;
- introduced time-weighted rate of return measurement across client portfolios, enabling clients to assess investment performance independently of the timing and size of deposits and withdrawals;
- re-designed client investment portfolio reports to provide a clearer and more comprehensive view of investment performance and asset diversification;
- introduced SEPA Direct Debit services, enabling euro collections for recurring payments such as subscriptions, utility bills and loan repayments, and further supporting MeDirect's position as its clients' primary bank; and
- extended the Mastercard debit card offering to corporate banking clients, with card issuance and management available at individual employee level.

Clients are also now able to maintain and remediate profile information and identity documentation directly through the mobile application, improving data quality, reducing operational friction, and supporting the Group's compliance obligations.

MeDirect's core client-facing services maintained a high level of availability throughout the first half of 2026, improving on full-year 2025 levels across both operating entities and reflecting the continued investment the Group has made in the resilience and scalability of its platform.

Looking ahead to the second half of 2026, the Group intends to continue broadening its digital proposition while maintaining a strong focus on operational resilience. Key development priorities include:

- the extension of its digital onboarding capabilities for corporate banking clients;
- the deployment of a fully mobile-first onboarding journey for clients; and
- the development of Banking-as-a-Service connectivity solutions, enabling corporate clients and partners API-based connectivity into the Group's banking services.

Continued growth in client franchise

During the first half of the year, the Group continued to deliver on its strategic roadmap by providing clients with the tools and services required to manage their banking and investment needs through its digital platform. The Group's growth in both Malta and Belgium continues to be driven principally by an affluent client base attracted by the value-for-money, transparency and quality of service of the Group's proposition, relative to the more traditional banking offerings available in those markets. This reflects a broader shift in client expectations, with individuals increasingly seeking digital-first banking that combines convenience, clear and competitive pricing, and integrated wealth management. MeDirect's client-centric model positions the Group well to benefit from this structural change in client behaviour.

The Group's client franchise continued to expand during the period, with:

- the registered retail client base increasing to approximately 184,000, representing growth of approximately 15% over the preceding twelve months;
- approximately 17,500 new retail clients joining the Group;
- growth being strongest in Belgium, where the retail client base expanded to approximately 148,500, while the Maltese retail client base increased to approximately 35,500; and
- the Maltese corporate client base expanding by more than 40% to over 780 client relationships.

The composition of client growth continued to shift towards the Group's wealth proposition, with:

- wealth clients growing by approximately 40%;
- clients holding both deposit and investment products representing more than 25% of the client base; and
- a further 15% growth of clients holding investment products.

Personal and corporate clients continued to increase the financial assets held with MeDirect during the period, with:

- aggregate client financial assets increasing to €7.3 billion as of 30 June 2026 (June 2025: €6.0 billion); and
- assets under custody increasing to €2.9 billion (June 2025: €2.1 billion).

Financial performance

The Group returned to profitability during the first half of 2026, recording a profit before tax of €2.4 million (1H 2025: loss before tax of €3.9 million). The result reflects the first reporting period in which the Group's underlying performance is visible without the effect of the run-off of the International Corporate Lending ("ICL") portfolio, together with continued growth across the Group's core lending and wealth businesses and disciplined cost management.

Operating income increased by €1.6 million, or 4%, to €41.2 million (1H 2025: €39.6 million). The principal drivers were as follows:

- Net interest income ("NII") grew by €2.6 million reflecting solid growth in the average balances of the Group's mortgage and Maltese corporate lending portfolios. The reported movement absorbed a decline in net interest income of approximately €2.5 million from the accelerated exit of the ICL asset class;
- excluding that run-off, underlying NII grew by ~€5 million, or 17%, over the corresponding period in 2025, reflecting strong momentum across the Group's core businesses; and
- Net fee and commission income and other operating income together decreased by €1.0 million, reflecting a reduction in foreign exchange income on transactions, softer trading and foreign exchange fees as trading activity eased amid recent market volatility, and a smaller contribution from non-recurring income.

Operating costs decreased by 6% to €38.6 million (1H 2025: €41.2 million), primarily due to lower regulatory levies. Excluding such levies, underlying operating costs increased by approximately 3%, reflecting continued investment in technology and control functions, moderated by ongoing cost discipline and efficiency.

Net expected credit loss charges for the period amounted to €0.3 million (1H 2025: €2.3 million), with credit quality across the Group's core portfolios remaining strong.

With a net operating profit of €2.6 million and a net expected credit loss charge of €0.3 million, the Group recorded a profit before tax of €2.4 million for the six months ended 30 June 2026.

Financial position

The capital injected by Banka CREDITAS during 2025 reinforced the Group's capital base and supported balance sheet growth during the first half of 2026. As of 30 June 2026, total assets stood at €5.8 billion, representing growth of €481 million, or 9%, since 31 December 2025.
This growth was supported by:

- client deposits increasing to €4.4 billion (December 2025: €4.1 billion);
- Net loans and advances to customers increasing by €226 million, or 7.5%, to €3.2 billion; and
- Treasury portfolio growing by 9% to €1.6 billion.

The Group's mortgage portfolio increased by 4.7% to €3.1 billion and continued to be centred on its Dutch National Mortgage Guarantee ("NHG"), Dutch Buy-To-Let and Belgian mortgage businesses. Key developments included:

- Dutch NHG mortgages, at 34% of the Group's balance sheet, remaining its largest single asset class;

- Dutch Buy-To-Let mortgage portfolio increasing to €350 million, representing growth of 41%; and
- Belgian mortgage portfolio growing by 7.2%.

The Maltese corporate lending portfolio increased by 40% to €295 million, reflecting continued support for local businesses through fully collateralised lending facilities.

Asset quality improved further during the period, with the Group's non-performing loan ratio reducing to 0.5% (December 2025: 0.9%).

Capital and liquidity position

The MDB Group's capital position was further reinforced during the period through a €24.6 million common equity tier 1 ("CET1") capital contribution received from Banka CREDITAS. The contribution increased the MDB Group's CET1 ratio by 188 basis points and its leverage ratio by 42 basis points, and brought aggregate capital contributed by Banka CREDITAS since completion of the acquisition to €61.7 million (net of expenses).

As at 30 June 2026, MDB Group maintained adequate capital and liquidity position, with all regulatory ratios above their minimum requirements:
- Tier 1 capital ratio: 20.7%
- Total capital ratio: 22.9%
- Leverage ratio: 4.8%
- Liquidity Coverage Ratio: 184%
- Net Stable Funding Ratio: 131%

MeDirect is actively managing the composition of its capital stack, having regard to the maturity and call profile of the Group's outstanding subordinated instruments, with the objective of holding regulatory capital in the most efficient form available and of ensuring that the Group's Tier 2 capital and its minimum requirement for own funds and eligible liabilities continue to be met with an appropriate margin as the balance sheet grows. The Group is evaluating the options available to it for maintaining an efficient capital structure, including, where appropriate and subject to market conditions and to the necessary regulatory and corporate approvals, the issuance of capital instruments.

Focus on ESG

During the first half of the year, the Group approved its ESG Strategy for 2026, building on the previous ESG strategy and focusing on four strategic pillars: governance, employees, environment, and society. The pillars were confirmed by the Group's annual Double Materiality Assessment, updated in early 2026. The strategy reflects an increased focus on ESG risk management in line with the supervisory priorities of the Single Supervisory Mechanism.

Key ESG developments during the period included:
- the publication of Pillar III ESG disclosures at both consolidated MDB Group level and MeDirect Belgium level, the latter reported for the first time in accordance with the requirements introduced under CRR III;

- the continued integration of ESG considerations into the Group's business model, including the extension of ESG screening to wealth management activities and the further enhancement of sustainability assessments within procurement processes; and
- the ongoing support for community and charitable initiatives across the Group's markets, including corporate sponsorships, employee volunteering activities, and continued participation in the Malta ESG Alliance.

The integration of ESG principles into the wider business strategy remains a key focus area as the Group continues to embed sustainable and responsible business practices across its operations.

External recognition

During the period, MeDirect won the Digital Savings and Investing Platform Excellence Award 2026 (Europe) by Capital Finance International. The award recognises the Group's continued success in delivering a secure, transparent, and client-focused digital banking and investment platform, and its ability to translate its challenger bank model into tangible outcomes for clients through improved service and value.

In its report, the judging panel highlighted:
- the continued growth of MeDirect's client franchise;
- the strength of the Group's financial position, supported by the recent investment from Banka CREDITAS; and
- the Group's reinforced governance framework - including enhancements in risk management, compliance, data governance, platform security, and fraud prevention - as a key factor underpinning its performance.

The award reflects the progress made by the Group in strengthening its governance and control environment while continuing to grow its business and enhance its client proposition across its core markets.

Looking ahead

The Group enters the second half of 2026 with momentum across its core markets, a strengthened capital base and a technology platform positioned to support further growth. The Group remains focused on consolidating and expanding its position in its core markets, leveraging its digital banking platform to accelerate the delivery of its business model, and continuing to build sustainable profitability across its principal business lines - retail and wealth, and relationship-based business banking.

Key priorities for the remainder of 2026 include:
- continuing to grow the Group's client franchise across Malta and Belgium;
- further enhancing the Group's digital banking and investment platform;
- maintaining disciplined capital allocation and balance sheet growth; and
- building sustainable profitability across the Group's core business lines.

The capital provided by Banka CREDITAS has reinforced the Group's capital position and supports its long-term growth ambitions. MeDirect will continue to maintain capital, leverage, and liquidity buffers in excess of regulatory requirements while optimising its capital structure to support future growth.

With the support of Banka CREDITAS as its shareholder and a committed team across both markets, the Group believes it is well positioned to continue executing its strategy during the second half of 2026 and beyond.

Unquote

C.Galea

Cressida Galea
Company Secretary

29 July 2026