COMPANY ANNOUNCEMENT

*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

MeDirect Bank (Malta) plc

Condensed Consolidated Interim Financial Statements

30 June 2026

Contents

Interim Directors' Report

Interim directors' report

Highlights of the first half 2026

- **Return to profitability.** MeDirect Bank (Malta) plc ("the Group" or "MeDirect") 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 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 months 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.

Update on MeDirect's digital platform

As noted above, the Group's technology platform is central to the delivery of its strategy. The strength of that platform lies in its scalability: its capacity to support a growing client base efficiently and reliably, so that rising volumes are served at a lower incremental cost. The first half of 2026 demonstrated that capacity, and this update reports on the platform's performance across the period.

Absorbing Growth Without Degradation of Service

The resilience of the platform was tested during the period by pronounced growth in client activity across every principal volume measure. Clients logged in to MeDirect's platforms 6.87 million times, an increase of 57% over the first half of 2025, averaging more than 41,000 logins each day in June. Clients executed close to 400 thousand trades, almost double the number executed in the comparative period. The Group processed 572 thousand 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.

The Group's proprietary Payments Hub and its instant payment connectivity continued to scale with volume, and instant Single Euro Payments Area ("SEPA") remained the dominant channel for retail flows, reflecting MeDirect's early adoption of real-time payments infrastructure. The mobile channel accounted for 91.1% of logins in June, up from 87.2% in January, and the platform's capacity to sustain that concentration of demand on a single channel is central to the Group's mobile-first strategy.

Strengthening the Security Architecture

MeDirect further strengthened the security architecture surrounding its most sensitive client operations during the period. Enhanced device verification, device profiling and anomaly-behaviour assessment were introduced around payment and card-management activity, allowing the Group to identify and interrupt patterns of behaviour inconsistent with a client's established profile. The mobile application pairing journey was re-engineered with biometric controls on activation and hardened runtime protections, reinforcing the security posture of the mobile channel without introducing friction for clients. These enhancements reinforce the Group's full PCI DSS compliance for card data security and complement MeDirect's continuous programme to promote client awareness of cybersecurity risks and fraud prevention.

Resilience of Critical Data Supply Chains

Recognising that the reliability of a wealth platform depends on the reliability of the data feeding it, MeDirect consolidated its market-data sourcing during the period, appointing 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. The change improved the timeliness, consistency and quality of prices presented across the platform and strengthens the resilience of a data supply chain on which valuation, client reporting and trading all depend.

Alongside this, the Group introduced time-weighted rate of return measurement across client portfolios. This institutional-standard measure expresses the compound growth of an investment independently of the timing and size of client deposits and withdrawals and is presented alongside value-evolution and realised gain and loss views. MeDirect also redesigned its client investment portfolio reports to provide a clearer and more complete view of investment performance and asset diversification.

Platform Resilience and Service Availability

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.

Availability is monitored continuously across all client-facing platforms - including the mobile application, online banking, client onboarding and the Group's public websites - and reported through the Group's operational risk governance framework.

Completing the Everyday Banking Proposition

The Group completed a core element of its everyday-banking proposition with the introduction of SEPA Direct Debit, 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. The Mastercard debit card offering was extended to corporate banking clients, with issuance and card management at the level of individual employees. Clients are now also able to maintain and remediate their own profile information, including identity documentation, directly within the mobile application, which improves the quality of client data, reduces operational friction and supports the Group's ongoing compliance obligations.

Future Developments

Looking forward to the 2H 2026, the Group will maintain its focus on operational resilience while continuing to broaden its digital proposition. Development priorities centre on the corporate segment and on deepening the mobile-first experience that now characterises the Group's client base, including:

Corporate onboarding. The Group will extend its digital onboarding capability to corporate banking clients, streamlining account opening for businesses and reducing time-to-activation. This complements the corporate banking platform and the corporate card propositions delivered over recent periods and supports the continued growth of the Maltese corporate client base.

Mobile-first onboarding. Client onboarding will be delivered as a native journey within the mobile application, treating mobile as a first-class channel in line with observed client behaviour: approximately nine in ten platform logins already originate from mobile devices.

Digital connectivity - Banking-as-a-Service. The Group will develop its connectivity proposition around a Banking-as-a-Service model, offering corporate clients and partners API-based connectivity into the Group's banking services.

This will enable accounts, payments and related services to be integrated directly into clients' own systems and platforms, supporting embedded, automated interaction with the Group and laying the foundation for partner-led distribution.

Growing footprint and client franchise in core markets

During the first six months of 2026 MeDirect continued to deliver on its strategic roadmap by offering clients the tools and information they need to manage their wealth autonomously. 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 registered retail client base grew in every month of the period, closing at ~184,000 at 30 June 2026. This represents growth of ~15% over the twelve months to that date, with ~17,500 net new retail clients welcomed during the period. Growth was strongest in Belgium, where the client base expanded by ~12% over the period to ~148,500, while Malta grew by ~4% to 35,500. The corporate client base in Malta expanded by more than 40% to over 780 relationships.

The composition of that growth continued to shift towards the Group's wealth proposition. Wealth clients grew by approximately 40% year-on-year, and at 30 June 2026 clients holding both deposit and investment products represented more than 25% of the client base, with a further 15% holding investment products only. Clients executed close to 400 thousand trades during the period, with exchange-traded funds remaining the most actively traded instrument class, representing approximately half of all purchase transactions, followed by mutual funds.

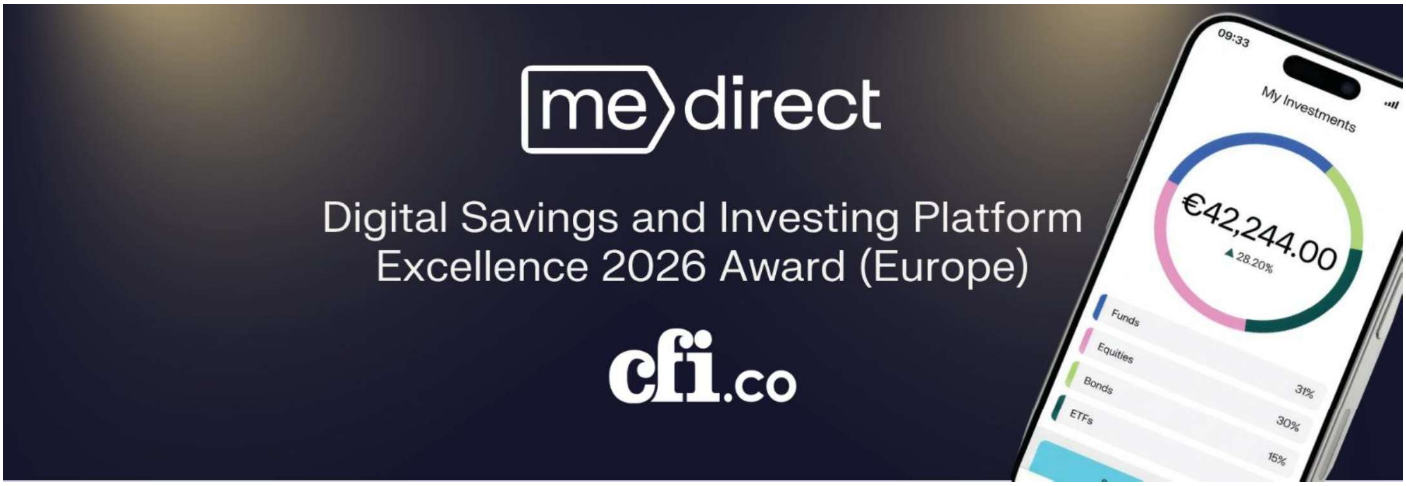
Personal and corporate clients have continued to grow their financial assets with MeDirect, reaching an aggregate of €7.3 billion of financial assets held with MeDirect at 30 June 2026 (June 2025: €6.0 billion). Assets under custody amounted to €2.9 billion (June 2025: €2.1 billion).

MeDirect's marketing efforts remained focused on building its profile through multi-channel advertising and communication campaigns promoting its range of investment, savings, borrowing and card services, and on providing clients with relevant educational information relating to banking, investment services as well as security awareness and fraud prevention.

External recognition

During the period, MeDirect won the Digital Savings and Investing Platform Excellence Award 2026 (Europe), presented 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, combining improved service with lower costs.

In its report, the judging panel highlighted the continued growth in MeDirect's client base and the strength of its financial position, supported by the recent investment from Banka CREDITAS. The panel also identified 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 Group regards this recognition, alongside its commercial progress, as a welcome endorsement of the work undertaken across the organisation in recent periods.



Financial performance

The Group returned to profitability in the first half of 2026, recording a profit before tax of €2.4 million (1H 2025: -€3.9 million loss). 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 to €35.2 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 compared with the corresponding period of 2025, 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), driven principally by a €3.7 million reduction in regulatory levies to €5.8 million (1H 2025: €9.5 million). These levies — principally the Depositor Compensation Schemes and bank taxes in Belgium — are recognised in full in the first half of each year and are subject to annual fluctuation. Excluding these regulatory levies, underlying operating costs increased by €1.0 million, or 3%, compared with the corresponding period of 2025, reflecting continued investment in the Group's technology and control functions, moderated by ongoing cost discipline and efficiency.

Net expected credit losses ("ECLs") for the period amounted to a €0.3 million charge (1H 2025: €2.3 million charge). Consistent with IFRS 9, growth in the Group's mortgage and Maltese corporate lending portfolios gave rise to an increase in Stage 1 twelve-month expected credit loss allowances on newly originated exposures - an expected consequence of balance sheet growth rather than any deterioration in credit quality. This increase was largely offset by two factors: the recovery of an exposure previously written off, and a favourable movement in the modelled loss allowance on the single residual ICL position of €10 million. The credit quality of the Group's core portfolios remained 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 first half of 2026 (1H 2025: loss before tax of €3.9 million).

Financial Position

The €40 million of capital injected by Banka CREDITAS during 2025 reinforced the capital base of MDB Group Limited (“MDB Group”) and eased the leverage constraint that had moderated balance sheet growth ahead of the acquisition. With that additional headroom, the Group's balance sheet grew by €481 million, or 9.0%, during the first half of 2026, to €5.8 billion as at 30 June 2026 (December 2025: €5.3 billion).

This growth was funded by client deposits and by the placement of senior notes with institutional investors under the Group's Dutch mortgage securitisation programme. Client deposits remain the Group's primary source of funding, amounting to €4.4 billion at 30 June 2026 (December 2025: €4.1 billion), an increase of €245 million, or 5.9%, over the period.

Net loans and advances to customers grew by €226 million or 7.5% to €3.2 billion (December 2025: €3.0 billion). Following the exit from the ICL asset class, substantially completed during 2025, a single residual position of €10 million remains and is anticipated to be repaid during the current year.

MeDirect grew its aggregate gross mortgage portfolio by 4.7% to €3.1 billion in the last 6 months. Key developments in the mortgage asset class are as follows:

- MeDirect’s Dutch-government guaranteed NHG mortgage activity continued to form the core of its mortgage portfolio, comprising 34% 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, established in partnership with Build Finance, reached €350 million as of 30 June 2026, representing 41% growth. Using the Build Finance platform, MeDirect is building its Dutch Buy-To-Let business in a controlled manner and benefits from attractive risk-adjusted returns.
- MeDirect further expanded its Belgian mortgage lending businesses, which grew 7.2%.

Corporate lending portfolio in Malta grew by 40% during the first half of 2026 to €295 million (December 2025: €210 million), demonstrating continued support of local businesses through fully collateralised facilities. The Group continued to diversify its Maltese lending book across a wider range of products and sectors during the period, deepening relationships with existing corporate clients and extending its services to a wider range of regulated entities. This represents a deliberate rebalancing of the Group's income towards more stable, collateralised, relationship-driven business, and is one of the principal drivers of the Group's revenue growth and return objectives.

The Group's treasury portfolio, held to support its liquidity requirements, grew by 9% to €1.6 billion at 30 June 2026 (December 2025: €1.4 billion). The portfolio continues to be invested in high-quality, liquid securities, and during the period the Group further diversified into AAA-rated notes issued by securitisations of consumer finance, auto loan and mortgage loan receivables originated in the Dutch and German markets.

Asset quality strengthened further during the period, with the non-performing loan ratio reduced to 0.5% at 30 June 2026 (31 December 2025: 0.9%), following the divestment of certain non-performing exposures within the former ICL portfolio. The Group maintains prudent underwriting standards and a robust risk management framework across all portfolios. Its mortgage lending is secured against residential property, including Dutch-sourced, government-guaranteed NHG mortgages, and its Maltese corporate lending is extended on a fully collateralised basis.

Capital and liquidity position of the MDB Group

On 26 June 2026 the MDB Group received a CET1 capital contribution of €24.6 million (net of expenses), announced to the market on 30 June 2026 in accordance with the Capital Markets Rules. The contribution increased MDB Group’s CET1 ratio by 188 basis points and its leverage ratio by 42 basis points at 30 June 2026 and brings the aggregate capital contributed by Banka CREDITAS since completion of the acquisition to €61.7 million (net of expenses). Being a common equity contribution, it directly increases the Group’s capacity to absorb deposit inflows and to originate new lending.

As at 30 June 2026, MDB Group’s Tier 1 capital ratio stood at 20.7%, with a total capital ratio of 22.9%, both well above applicable regulatory requirements. (December 2025: 20.8% and 23.5% respectively). The leverage ratio was maintained at 4.8% (December 2025: 4.8%). The CET1 contribution received in June was matched by growth in the Group's exposure measure, reflecting the Group’s intention that new capital be applied to funding balance sheet growth rather than to accumulating unused headroom.

The MDB Group’s Liquidity Coverage Ratio stood at 184% (minimum requirement of 100%), and its Net Stable Funding Ratio stood at 131% (minimum requirement of 100%).

A reinforced capital base underpins the Group's strategic growth plans, and the Group maintains capital, leverage and liquidity buffers in excess of applicable regulatory requirements. Across each of its markets, capital allocation is guided by product-level profitability analysis, with capital directed towards those asset classes offering the most attractive risk-adjusted returns. The Group expects to continue funding its balance sheet growth primarily through client deposits raised on its established retail and corporate deposit platforms in Malta and Belgium, supported by a range of contingency funding arrangements.

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.

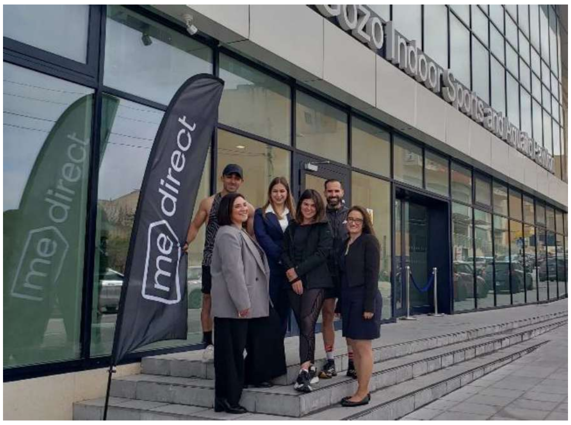
Focus on environmental, social and governance principles

During the first half of the year, MeDirect approved its ESG Strategy for 2026, which builds on the 2022–2025 ESG Strategy around 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 a strengthened focus on ESG risk management in accordance with the supervisory priorities of the Single Supervisory Mechanism.

During the period MeDirect published its Pillar III ESG disclosures at both consolidated Group level and MeDirect Belgium level, the latter reported for the first time in line with the requirements introduced under CRR III.

The integration of ESG principles into the wider business strategy remains a key focus of the MeDirect ESG agenda. Having embedded ESG screening into its lending, procurement, corporate business and treasury operations in prior periods, during the first half of 2026 MeDirect extended ESG screening to its wealth management process and continued refining the assessment of third-party vendors as part of its procurement sustainability strategy.

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 also sponsors organisations such as the Alive Foundation, which raises funds for cancer research, and staff volunteering activities including beach cleanups and charitable fundraising initiatives. MeDirect continues to offer all staff two days of additional leave per year to be used for volunteering. The Group also continued 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.



Looking ahead

The Group enters the second half of 2026 with momentum across each of its markets, a strengthened capital base and a platform well positioned to support further growth. Its strategic direction is unchanged: to consolidate and grow its position in its core markets, to leverage its technology platform to accelerate the delivery of its business model, and to build sustainable profitability around its retail and wealth, and business banking franchises. The priority for the remainder of the year is to convert that position into continued growth and sustainable earnings.

The capital provided by Banka CREDITAS has reinforced the Group's capital base and supports its growth plans, and MeDirect will continue to optimise the composition of its capital stack to fund that growth efficiently while maintaining capital, leverage and liquidity buffers in excess of regulatory requirements. As part of the wider Banka CREDITAS ownership structure, MeDirect also expects over time to realise the benefits of closer integration - including alignment of common policies, the centralisation of certain functions and the consolidation of reporting - in support of greater operational efficiency.

With the support of Banka CREDITAS as a shareholder and a committed team across both markets, MeDirect is well positioned for the second half of 2026.

Statement of responsibility by the directors pursuant to Capital Markets Rule 5.75.3 Issued by the Malta Financial Services Authority

We, the undersigned, confirm that to the best of our knowledge the interim condensed consolidated financial statements give a true and fair view of the financial position of the Group as at 30 June 2026, as well as of their financial performance and cash flows for the period then ended, in accordance with IAS 34 Interim Financial Reporting, adopted by the EU, and the Directors' Report includes a fair review of the information required under Capital Markets Rules 5.81 to 5.84.

Bart Bronselaer
Chair

Jean-Claude Maher
Chief Executive Officer

Financial Statements

Condensed consolidated interim statement of financial position

	Notes	As at 30 June 2026 €000	As at 31 December 2025 €000
ASSETS			
Balances with central banks and cash		**475,279**	272,565
Derivative financial instruments		**171,744**	185,928
Loans and advances to financial institutions		**261,041**	329,004
Loans and advances to customers		**3,249,104**	3,023,394
Investments			
- Securities portfolio		**964,676**	890,401
- Securitisation portfolio		**331,071**	392,060
- Asset-Backed Securitisation portfolio		**279,528**	158,994
Property and equipment		**3,405**	2,431
Intangible assets		**15,982**	15,863
Current tax assets		**1,751**	1,216
Deferred tax assets	**6**	**17,932**	17,730
Prepayments and accrued income		**6,865**	8,348
Other assets		**40,535**	39,956
Total assets		**5,818,913**	5,337,890
EQUITY			
Called up issued share capital	**8**	**117,450**	117,450
Share premium	**8**	**13,464**	13,464
Shareholders' contributions	**8**	**196,397**	172,997
Other reserves	**8**	**2,066**	2,066
Accumulated losses		**(23,108)**	(25,138)
Total equity		**306,269**	280,839
LIABILITIES			
Derivative financial instruments		**10,678**	11,204
Amounts owed to financial institutions		**164,186**	209,814
Amounts owed to customers		**4,384,544**	4,139,020
Debt securities in issue		**855,331**	602,397
Subordinated liabilities		**68,194**	67,329
Current tax liabilities		**62**	56
Deferred tax liabilities	**6**	**191**	-
Provisions for liabilities and other charges		**53**	111
Accruals and deferred income		**7,235**	9,243
Other liabilities		**22,170**	17,877
Total liabilities		**5,512,644**	5,057,051
Total equity and liabilities		**5,818,913**	5,337,890
Memorandum items			
Commitments to extend credit, guarantees and other commitments	**11**	**376,522**	319,992

The notes on pages 15 to 34 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements on pages 10 to 34 were approved and authorised for issue by the Board of Directors on 29 July 2026 and signed on its behalf by:

Bart Bronselaer
Chair

Jean-Claude Maher
Chief Executive Officer

Condensed consolidated interim statement of comprehensive income

	Notes	**Period from 1 January to 30 June 2026 €000**	Period from 1 January to 30 June 2025 €000
Interest income	9	**76,825**	80,186
Interest expense		**(41,583)**	(47,546)
Net interest income		**35,242**	32,640
Fee and commission income	10	**6,102**	6,770
Fee and commission expense		**(2,276)**	(2,177)
Net fee and commission income		**3,826**	4,593
Net trading income		**382**	553
Other operating income			
- Realised gains on disposal of other investments measured at amortised cost		**-**	976
- Realised gains on disposal of loans and advances		**1,741**	134
- Other (losses)/income		**(7)**	704
Total operating income		**41,184**	39,600
Personnel expenses		**(13,671)**	(12,580)
Depreciation and amortisation		**(2,371)**	(2,668)
Other administrative expenses		**(22,524)**	(25,919)
Total operating expenses		**(38,566)**	(41,167)
Net operating profit/(loss) before changes in expected credit losses		**2,618**	(1,567)
Change in expected credit losses and other credit impairment charges		**(266)**	(2,334)
Profit/(loss) for the period before tax		**2,352**	(3,901)
Tax expense	6	**(322)**	(303)
Profit/(loss) for the period – Total comprehensive profit/(loss) attributable to equity holders of the parent		**2,030**	(4,204)

The notes on pages 15 to 34 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of changes in equity

	Share capital €000	Share premium €000	Shareholders' contributions €000	Other reserves €000	Accumulated losses €000	Total €000
Balance at 1 January 2025	117,450	13,464	133,196	880	(16,327)	248,663
Total comprehensive income						
Loss for the period	-	-	-	-	(4,204)	(4,204)
Balance at 30 June 2025	117,450	13,464	133,196	880	(20,531)	244,459
Balance at 1 January 2026	**117,450**	**13,464**	**172,997**	**2,066**	**(25,138)**	**280,839**
Total comprehensive income						
Profit for the period	**-**	**-**	**-**	**-**	**2,030**	**2,030**
Total comprehensive income, net of tax	**-**	**-**	**-**	**-**	**2,030**	**2,030**
Transaction with owners						
Shareholders' contributions (Note 8)	**-**	**-**	**23,400**	**-**	**-**	**23,400**
Total transactions with owners	**-**	**-**	**23,400**	**-**	**-**	**23,400**
Balance at 30 June 2026	**117,450**	**13,464**	**196,397**	**2,066**	**(23,108)**	**306,269**

The notes on pages 15 to 34 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of cash flows

	Period from 1 January to 30 June 2026 €000	Period from 1 January to 30 June 2025 €000
Cash flows from operating activities		
Interest and commission receipts	**87,467**	90,638
Interest and commission payments	**(42,897)**	(48,755)
Payments to employees and suppliers	**(36,797)**	(47,142)
Operating cash flows before changes in operating assets/liabilities	**7,773**	(5,259)
Increase in operating assets:		
- Reserve deposit with central banks	**(2,885)**	(1,696)
- Loans and advances to financial institutions and customers	**(176,882)**	(54,916)
Increase/(decrease) in operating liabilities:		
- Amounts owed to financial institutions and customers	**240,167**	44,146
- Other payables	**3,685**	(1,363)
Net tax paid	**(862)**	(251)
Net cash from/(used in) operating activities	**70,996**	(19,339)
Cash flows from investing activities		
Acquisitions of property and equipment and acquisition and development of intangible assets	**(3,465)**	(2,318)
Acquisition of investments measured at amortised cost	**(337,430)**	(107,500)
Redemption of investments measured at amortised cost	**203,984**	90,473
Net cash used in investing activities	**(136,911)**	(19,345)
Cash flows from financing activities		
Redemption of debt securities	**(48,046)**	(28,306)
Disposal of debt securities	**299,948**	-
Shareholders' contribution	**23,400**	-
Principal element of lease payments	**430**	(935)
Net advances from/(to) group companies	**209**	(536)
Net cash from/(used in) financing activities	**275,941**	(29,777)
Net increase/(decrease) in cash and cash equivalents	**210,026**	(68,461)
Cash and cash equivalents at the beginning of the period	**117,920**	59,472
Cash and cash equivalents at the end of the period	**327,946**	(8,989)

The notes on pages 15 to 34 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

MeDirect Bank (Malta) plc ("MeDirect Malta" or the "Bank") is a limited liability company domiciled and incorporated in Malta with its registered address at The Centre, Tigne' Point, Sliema, Malta, TPO 0001.

These condensed consolidated interim financial statements as at and for the six months ended, 30 June 2026 comprise the company and its subsidiaries, together referred to as "the Group". Therefore, these interim financial statements report the consolidated financial results of MeDirect Malta for the financial period ended 30 June 2026, including the financial results of its principal subsidiary, namely MeDirect Bank SA ("MeDirect Belgium"); Bastion 2020-1 NHG B.V. ("Bastion 2020-1"), Bastion 2021-1 NHG B.V. ("Bastion 2021-1"), Bastion 2022-1 NHG B.V. ("Bastion 2022-1") and Bastion 2025-1 NHG B.V. ("Bastion 2025-1"), four controlled special purpose entities utilised as part of the Group's funding strategy in respect of the Dutch Mortgage business; MeDirect Tech Limited ("MeDirect Tech") that leases computer hardware and software to MeDirect Malta and MeDirect Belgium; and Medifin Estates, a property leasing partnership.

The financial statements of the Group as at and for the periods ended 30 June 2026 and 31 December 2025 are available upon request from MeDirect Malta's registered office, being The Centre, Tigné Point, Sliema TPO 0001, Malta, and are available for viewing on its website at www.medirect.com.mt.

MeDirect Belgium is a credit institution licensed in Belgium.

The principal customer-related activities of MeDirect Malta and MeDirect Belgium include an easy-to-use wealth platform with access to fund houses and mutual funds, a suite of wealth products available through digital channels and attractive and innovative savings products in Malta and Belgium.

MeDirect Belgium invests in Dutch residential mortgages via an established third-party mortgage originator in the Netherlands and in Belgian residential mortgage loan products in partnership with Allianz Benelux S.A/N.V.. This offering is underpinned by a robust credit risk framework and continues to diversify the asset base of MeDirect Belgium into the residential mortgage sector. MeDirect Belgium also invests in Dutch buy-to-let mortgage business whereas MeDirect Malta offers innovative and attractive home loan products in a client-oriented process.

MeDirect Malta still holds one exposure from its portfolio of senior secured loans that has now been substantially wound down.

MeDirect Belgium, in line with article 6 of the Securitisation Regulation (EU) No 2017/2402 of the European Parliament and of the Council of 12 December 2017, undertook to retain, on an ongoing basis, a material net economic interest in the Bastion securitisation transactions. This implies that the Group retains substantially all risks and rewards pertaining to the activities of these securitisation structures and hence to the assets, liabilities and related income and expenditure attributable to the structures and as such, all assets, liabilities and related income and expenditure of the securitisation special purpose entities are reflected in the Group's financial statements.

The Group has retained substantially all risks and rewards pertaining to the activities of Bastion 2020-1, Bastion 2021-1, Bastion 2022-1 and Bastion 2025-1 and hence to assets, liabilities and related income and expenditure attributable to these entities, and as such, all assets, liabilities and related income and expenditure have been reflected within the Group's consolidated financial statements. Bastion 2020-1 was put into liquidation in December 2025. When Bastion 2025-1 was successfully closed in April 2025, the Group retained both the Class A1 notes and the Class A2 notes providing the Group with a contingency funding source and offering the potential to secure external funding through future remarketing. In June 2026, the Group disposed of €300 million post factor notional of the Class A1 notes to institutional investors.

MeDirect Malta continues to support the Maltese real economy through convenient banking services such as payment services and foreign exchange and through lending to Maltese corporates on projects and to small and medium-sized enterprises through fully collateralised lending facilities. MeDirect Malta also holds a consumer finance receivables portfolio.

Medifin Estates, a property leasing partnership, was set up to lease property which is then leased back to the Group.

MeDirect Tech owns the key rights and licences, including software solutions that are utilised by both MeDirect Malta and MeDirect Belgium. It leases out amongst other equipment, software and motor vehicles and provides related support services to the other Group entities.

2. Basis of preparation

These condensed consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (IAS 34 'Interim Financial Reporting'). They do not include all information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards as adopted by the EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements as at and for the year ended 31 December 2025.

As required by IAS 34 'Interim Financial Reporting', adopted by the EU, these interim financial statements include a comparative statement of financial position presenting information as at the previous financial year end, and comparative statements of comprehensive income presenting information for the comparable interim periods of the immediately preceding financial year.

The condensed consolidated interim financial statements have been extracted from MeDirect Malta's unaudited Group management accounts for the six months ended 30 June 2026. The comparative statement of financial position has been extracted from the audited financial statements for the financial year ended 31 December 2025. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

The half-yearly results are being published in terms of Chapter 5 of the Capital Markets Rules, issued by the Malta Financial Services Authority ("MFSA"), and the Prevention of Financial Markets Abuse Act, 2005. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

3. Material accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The following amendment applies for the first time in 2026, but do not have an impact on the interim condensed consolidated financial statements of the Group.

- Amendments to IFRS 9 and IFRS 7: Disclosures - Classification and Measurement of Financial Instruments;
- Amendments to IFRS 9 and IFRS 7: Disclosures - Contracts Referencing Nature-dependent Electricity; and
- Annual Improvements to IFRS Accounting Standards - Volume 11.

4. Critical accounting estimates and judgements in applying the Group's accounting policies

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates are, by definition, seldom equal to the related actual results. These estimates and assumptions present a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group's management also makes judgements, apart from those involving estimations, in the process of applying the entity's accounting policies that may have a significant effect on the amounts recognised in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The significant judgements/assumptions made by management in applying the Group's accounting policies and the key sources of estimation uncertainty impacting the preparation of these interim financial statements are the same as those that applied to the preparation of the financial statements as at and for the year ended 31 December 2025, as disclosed in those financial statements.

Expected credit losses on loans and advances to customers

The measurement of credit loss allowances in respect of loans and advances to customers in line with IFRS 9 principles requires complex statistical analyses and modelling assumptions, with expected credit losses ("ECL") models built and calibrated principally by reference to historical information in respect of default levels and loss severities. However, due to the inherent level of estimation uncertainty in modelling such aspects of the ECL calculation, a significant element of expert judgement is required to ensure that model parameters produce an ECL output which is reasonable and appropriate in light of existing conditions.

For loans within the Group's International Corporate Lending and Maltese Business Lending portfolios, judgement is firstly required in determining whether there is objective evidence that an exposure is credit-impaired. In performing this assessment, management applies a significant level of judgement in evaluating all relevant information on indicators of unlikeliness-to-pay, including the consideration of factors that immediately indicate deterioration in the financial condition of borrowers, but also in respect of factors that impact the outlook of borrowers affecting their ability to pay. A higher level of judgement is required for loans to borrowers showing continued signs of financial difficulty similar to those experienced during the preceding financial year, and for borrowers that are performing better compared to the prior year to understand whether the improvements are sustainable going forward. These judgements are reflected within forecasted cash flow forecasts under different scenarios for Stage 2 borrowers particularly when assessing their unlikeliness to pay.

As mentioned in "7.4 Current Conditions and Forward-looking information incorporated in the ECL model", in the Group's IFRS 9 models for estimating credit risk parameters, Expected Default Frequency data was used for modelling point-in-time, forward-looking parameters, and these were conditioned with forecasted macroeconomic variable data starting from 30 June 2026 onwards.

The methodology together with the assumptions and parameterisation used in the calibration of the ECL models are reviewed on a regular basis by management in order to ensure that the model output remains appropriate in view of the Group's observed default and credit loss history. A significant level of judgement is required in order to assess the continuing appropriateness and reasonableness of the Point in Time ("PiT") PDs and Loss Given Defaults ("LGDs") being determined by the statistical models. In this respect, it is noteworthy to mention that the Group's International Corporate Lending IFRS 9 model for determining PiT PDs is particularly sensitive to equity market data. As a result, given that equity prices are driven by factors unrelated to creditworthiness, a significant level of expert judgement is required to determine the reasonableness of ECL model outputs.

Significant judgement is also required in the modelling and selection of macroeconomic forecasts, as well as in calibration of the severities and respective probability weights of macroeconomic scenarios. This process involves several modelling assumptions based on expert judgement, in order to form a view on the impact of the tariffs being imposed by the U.S. on the EU and other trading partners, geopolitical tensions, inflation and global energy and commodity prices resulting from the conflicts as well as the uncertainty surrounding tariff policy. The development of multiple forward-looking macroeconomic scenarios taking into consideration all these variables represent a key element of estimation uncertainty in the measurement of credit loss allowances as at 30 June 2026.

Valuation of derivatives and hedge accounting

The level of subjectivity and degree of management judgement required is more significant for those derivative financial instruments valued using specialised and sophisticated models and where some or all of the parameter inputs are less liquid or less observable. Management judgement is required in the selection and application of appropriate parameters, assumptions and modelling techniques. Where no market data are available for a particular instrument then pricing inputs are determined by assessing other relevant sources of information such as historical data and making appropriate adjustment to reflect the actual instrument being valued and current market conditions. Further, some valuation adjustments may require the exercise of management judgement to achieve fair value.

5. Segmental information

The Group engages primarily in the business of lending conducted from Malta and Belgium through Dutch, Belgian and Maltese mortgage lending and retail consumer finance receivables together with the investment in high credit quality collateralised instruments such as covered bonds, guaranteed senior bank debt, sovereign related debt and investment in AAA tranches of securitisation special purpose entities and asset-backed securities. The Group also has a Malta corporate lending portfolio and one exposure remaining from its international corporate lending portfolio. Revenues secured through the above-mentioned assets are complemented by the revenues generated by the Group on its wealth management business.

The Group's internal management reporting to the Board of Directors and Senior Management, is mainly analysed by jurisdiction. For each jurisdiction, the Senior Management, reviews internal management reports in order to make decisions about allocating resources and assessing performance. Where applicable, such as in the case of international corporate lending, these internal management reports are also supplemented by reports in respect of the Group's revenue streams on a consolidated basis.

The investment portfolio is spread across a large number of exposures diversified in government, financial institutions and other corporates.

	Period ended 30 June 2026			Period ended 30 June 2025		
	Malta	**Belgium**	**Total**	Malta	Belgium	Total
	€000	**€000**	**€000**	€000	€000	€000
Turnover *	**18,954**	**66,089**	**85,043**	19,711	69,612	89,323
of which interest income	**14,005**	**62,820**	**76,825**	14,953	65,233	80,186
of which fee and commission income	**2,788**	**3,314**	**6,102**	3,519	3,251	6,770
of which other operating income/(loss)	**2,161**	**(45)**	**2,116**	1,239	1,128	2,367
Profit/(loss) after tax	**(787)**	**2,817**	**2,030**	(3,694)	(510)	(4,204)

	As at 30 June 2026			As at 31 December 2025		
	Malta	**Belgium**	**Total**	Malta	Belgium	Total
Total assets (€million)	**998**	**4,821**	**5,819**	938	4,400	5,338
Total liabilities (€million)	**926**	**4,587**	**5,513**	887	4,170	5,057

* Turnover is defined as interest income, fee and commission income, net trading income and other operating income.

The Group carried out its activities in the countries listed above under the name of MeDirect Malta in Malta and MeDirect Belgium in Belgium. Activities in Malta and Belgium include banking and wealth management.

6. Taxation

Current income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the financial year applied to the pre-tax income of the interim period.

Deferred taxes are calculated on all temporary differences under the liability method and are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been substantively enacted by the end of the reporting period. The principal tax rates used are 35% in relation to the Maltese jurisdiction and 25% in respect of the Belgian fiscal authority. In applying judgement in recognising deferred tax assets, the Group's management has assessed all available information, in particular future business growth and profit projections.

7. Financial instruments

7.1 Summary of financial instruments to which the impairment requirements in IFRS 9 are applied

The following disclosures present the gross carrying amount (inclusive of accrued interest) and nominal amount of financial instruments measured at amortised cost to which the impairment requirements in IFRS 9 are applied and the associated credit loss allowance.

	As at 30 June 2026		As at 31 December 2025	
	Gross carrying/ nominal amount	**Credit loss allowance**	Gross carrying/ nominal amount	Credit loss allowance
	€000	**€000**	€000	€000
Financial assets measured at amortised cost				
Balances with central banks	**475,281**	**(2)**	272,565	(2)
Loans and advances to financial institutions	**261,042**	**(1)**	329,005	(1)
Loans and advances to customers	**3,254,744**	**(5,640)**	3,032,791	(9,397)
- Dutch Mortgage portfolio	**2,355,712**	**(312)**	2,266,097	(411)
- Belgian Mortgage portfolio	**580,281**	**(1,158)**	541,482	(998)
- IFRS basis adjustment: International Mortgage portfolio *	**(160,993)**	**-**	(174,573)	-
- Maltese Business Lending portfolio	**294,586**	**(1,459)**	210,061	(1,125)
- IFRS basis adjustment: Maltese Business Lending portfolio *	**(122)**	**-**	519	-
- Maltese Mortgage portfolio	**161,273**	**(346)**	151,707	(340)
- Consumer Finance receivables portfolio	**13,925**	**(2,234)**	11,040	(1,569)
- International Corporate Lending portfolio	**10,082**	**(131)**	26,458	(4,954)
Investments measured at amortised cost	**1,575,582**	**(307)**	1,441,680	(225)
- Securities portfolio	**964,815**	**(139)**	890,488	(87)
- Securitisation portfolio	**331,104**	**(33)**	392,099	(39)
- Asset-Backed Securitisation portfolio	**279,663**	**(135)**	159,093	(99)
Accrued income	**2,707**	**-**	2,670	-
Loans to related parties (included in other assets)	**482**	**-**	1,321	-
Other receivables (included in other assets)	**3,475**	**-**	2,769	-
Other assets (included in other assets)	**35,494**	**-**	34,728	-
	5,608,807	**(5,950)**	5,117,529	(9,625)
Off balance sheet at nominal amount				
Commitments to extend credit, guarantees and other commitments	**376,569**	**(47)**	320,103	(111)
Total	**5,985,376**	**(5,997)**	5,437,632	(9,736)

* IFRS basis adjustment arises from changes in market interest rates that are hedged through interest rate swaps. These swaps are executed within the ALM interest rate risk management framework to mitigate the impact of movements in interest rates on the fair value of the underlying portfolio.

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment.

	As at 30 June 2026	As at 31 December 2025
	€000	€000
Instruments mandatorily measured at fair value through profit or loss		
- Held for trading derivative financial instruments	**633**	184
- Held for risk management derivative financial instruments	**171,111**	185,744
	171,744	185,928

7.2 Summary of credit risk (excluding financial instruments not subject to impairment requirements) by stage distribution and ECL coverage

The following table provides an overview of the Group's credit risk by stage and business segment, and the associated ECL coverage.

	Gross carrying amount/nominal amount				Credit loss allowance				ECL coverage %			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	€000	€000	€000	€000	€000	€000	€000	€000	%	%	%	%
As at 30 June 2026												
On balance sheet at amortised cost:												
Balances with central banks	475,281	-	-	475,281	(2)	-	-	(2)	-	-	-	-
Loans and advances to financial institutions	261,042	-	-	261,042	(1)	-	-	(1)	-	-	-	-
Loans and advances to customers												
- Dutch Mortgage portfolio	2,346,158	7,892	1,662	2,355,712	(123)	(155)	(34)	(312)	-	2.0	2.0	-
- Belgian Mortgage portfolio	565,642	8,618	6,021	580,281	(396)	(80)	(682)	(1,158)	0.1	0.9	11.3	0.2
- IFRS basis adjustment: International Mortgage portfolio	(160,993)	-	-	(160,993)	-	-	-	-	-	-	-	-
- Maltese Business Lending portfolio	286,720	2,201	5,665	294,586	(811)	(17)	(631)	(1,459)	0.3	0.8	11.1	0.5
- IFRS basis adjustment: Maltese Business Lending portfolio	(122)	-	-	(122)	-	-	-	-	-	-	-	-
- Maltese Mortgage portfolio	160,951	180	142	161,273	(318)	(4)	(24)	(346)	0.2	2.2	16.9	0.2
- Consumer Finance receivables portfolio	10,434	1,294	2,197	13,925	(27)	(10)	(2,197)	(2,234)	0.3	0.8	100.0	16.0
- International Corporate Lending portfolio	-	10,082	-	10,082	-	(131)	-	(131)	-	1.3	-	1.3
Investments measured at amortised cost												
- Securities portfolio	964,815	-	-	964,815	(139)	-	-	(139)	-	-	-	-
- Securitisation portfolio	331,104	-	-	331,104	(33)	-	-	(33)	-	-	-	-
- Asset-Backed Securitisation portfolio	279,663	-	-	279,663	(135)	-	-	(135)	-	-	-	-
Accrued income	2,707	-	-	2,707	-	-	-	-	-	-	-	-
Loans to related parties (included in other assets)	482	-	-	482	-	-	-	-	-	-	-	-
Other receivables (included in other assets)	3,475	-	-	3,475	-	-	-	-	-	-	-	-
Other assets (included in other assets)	35,494	-	-	35,494	-	-	-	-	-	-	-	-
Off balance sheet at nominal amount:												
Commitments to extend credit, guarantees and other commitments	373,357	3,188	24	376,569	(47)	-	-	(47)	-	-	-	-
	5,936,210	33,455	15,711	5,985,376	(2,032)	(397)	(3,568)	(5,997)	-	1.2	22.7	0.1

	Gross carrying amount/nominal amount				Credit loss allowance				ECL coverage %			
	Stage 1 €000	Stage 2 €000	Stage 3 €000	Total €000	Stage 1 €000	Stage 2 €000	Stage 3 €000	Total €000	Stage 1 %	Stage 2 %	Stage 3 %	Total %
As at 31 December 2025												
On balance sheet at amortised cost:												
Balances with central banks	272,565	-	-	272,565	(2)	-	-	(2)	-	-	-	-
Loans and advances to financial institutions	329,005	-	-	329,005	(1)	-	-	(1)	-	-	-	-
Loans and advances to customers												
- Dutch Mortgage portfolio	2,249,782	14,697	1,618	2,266,097	(113)	(246)	(52)	(411)	-	1.7	3.2	-
- Belgian Mortgage portfolio	528,272	8,266	4,944	541,482	(388)	(83)	(527)	(998)	0.1	1.0	10.6	0.2
- IFRS basis adjustment: International Mortgage portfolio	(174,573)	-	-	(174,573)	-	-	-	-	-	-	-	-
- Maltese Business Lending portfolio	201,367	2,398	6,296	210,061	(356)	(13)	(756)	(1,125)	0.2	0.5	12.0	0.5
- IFRS basis adjustment: Maltese Business Lending portfolio	519	-	-	519	-	-	-	-	-	-	-	-
- Maltese Mortgage portfolio	151,429	142	136	151,707	(315)	(2)	(23)	(340)	0.2	1.4	16.9	0.2
- Consumer Finance receivables portfolio	8,351	1,150	1,539	11,040	(21)	(9)	(1,539)	(1,569)	0.3	0.8	100.0	14.2
- International Corporate Lending portfolio	-	10,847	15,611	26,458	-	(351)	(4,603)	(4,954)	-	3.2	29.5	18.7
Investments measured at amortised cost												
- Securities portfolio	890,488	-	-	890,488	(87)	-	-	(87)	-	-	-	-
- Securitisation portfolio	392,099	-	-	392,099	(39)	-	-	(39)	-	-	-	-
- Asset-Backed Securitisation portfolio	159,093	-	-	159,093	(99)	-	-	(99)	0.1	-	-	0.1
Accrued income	2,670	-	-	2,670	-	-	-	-	-	-	-	-
Loans to related parties (included in other assets)	1,321	-	-	1,321	-	-	-	-	-	-	-	-
Other receivables (included in other assets)	2,769	-	-	2,769	-	-	-	-	-	-	-	-
Other assets (included in other assets)	34,728	-	-	34,728	-	-	-	-	-	-	-	-
Off balance sheet at nominal amount:												
Commitments to extend credit, guarantees and other commitments	316,097	3,931	75	320,103	(111)	-	-	(111)	-	-	-	-
	5,365,982	41,431	30,219	5,437,632	(1,532)	(704)	(7,500)	(9,736)	-	1.7	24.8	0.2

7.3 Reconciliation of changes in gross carrying/nominal amount and credit loss allowances for loans and advances to customers, including accrued income, and other credit-related commitments

The following disclosure provides a reconciliation by stage of the Group's gross carrying/nominal amounts and credit loss allowances for loans and advances to customers, including credit-related commitments. On-balance sheet exposures are shown at their gross carrying amounts whereas off-balance sheet exposures are shown at their nominal amounts.

Within the following tables, the line items "New business" and "Repayments and disposals" represent movements within the Group's loans and advances to customers in respect of gross carrying/nominal amounts and associated credit loss allowances. "New business" represents new lending sanctioned during the financial reporting period ended 30 June 2026. Meanwhile, "Repayments and disposals" reflect loan repayments and disposals that occurred during the financial reporting period ended 30 June 2026, which however, would only have existed on the Group's balance sheet as at 31 December 2025. Accordingly, repayments and disposals relating to loans sanctioned during the financial reporting period are netted off against new lending included within "New business".

The line item "Transfers of financial instruments" represents the impact of stage transfers on gross carrying/nominal amounts and associated credit loss allowances determined as at 30 June 2026. The line item "Net re-measurement of ECL arising from stage transfers and changes in risk parameters, including climate risk" represents the increase or decrease in credit loss allowances due to modified measurement basis from 12-month to lifetime in relation to stage transfers. It also includes the effects of changes in other ECL measurement factors and model parameters such as, but not limited to, change in time to maturity of assets; changes in underlying credit ratings; changes in measurement of loss given default and changes in respect of multiple economic scenarios. Finally, this line item also comprises the increase in ECL in respect of assets written off during the period measured as the movement between 1 January and the date of write off.

The following table provides a reconciliation of movements in gross carrying/nominal amounts and credit loss allowances, by stage, for the loans and advances to customers, followed by an analysis of the gross carrying/nominal amount and credit loss allowances as at 30 June 2026 and the ECL movement throughout the financial period.

	Non credit-impaired				Credit-impaired			
	Stage 1		Stage 2		Stage 3		Total	
	Gross carrying/ nominal amount €000	Credit loss allowance €000	Gross carrying/ nominal amount €000	Credit loss allowance €000	Gross carrying/ nominal amount €000	Credit loss allowance €000	Gross carrying/ nominal amount €000	Credit loss allowance €000
Loans and advances to customers								
Period ended 30 June 2026								
At beginning of period	3,455,298	(1,304)	41,431	(704)	30,219	(7,500)	3,526,948	(9,508)
New business	478,426	(261)	516	(4)	168	(148)	479,110	(413)
Repayments and disposals	(195,323)	91	(1,369)	50	(1,120)	253	(197,812)	394
Transfers of financial instruments								
- Transfers from Stage 1 to Stage 2	(8,971)	5	8,971	(5)	-	-	-	-
- Transfers from Stage 2 to Stage 1	15,270	(120)	(15,270)	120	-	-	-	-
- Transfers to Stage 3	(2,101)	2	(1,476)	18	3,577	(20)	-	-
- Transfers from Stage 3	663	(123)	652	(136)	(1,315)	259	-	-
Net remeasurement of ECL arising from stage transfers and changes in risk parameters, including climate risk	-	(12)	-	264	-	(1,015)	-	(763)
Realisation of ECL through restructuring and disposals	-	-	-	-	(15,818)	4,603	(15,818)	4,603
At end of period	3,743,262	(1,722)	33,455	(397)	15,711	(3,568)	3,792,428	(5,687)
ECL released for the period								3,821
Realisation of ECL through restructuring and disposals								(4,603)
Other								598
Change in expected credit losses and other credit impairment charges for the period								(184)

	As at 30 June 2026		Period ended 30 June 2026
	Gross carrying/ nominal amount €000	Credit loss allowance €000	ECL (charge)/ release €000
As per preceding table	3,792,428	(5,687)	(184)
Balances at central banks	475,281	(2)	-
Loans and advances to financial institutions	261,042	(1)	-
Investments measured at amortised cost			
- Securities portfolio	964,815	(139)	(52)
- Securitisation portfolio	331,104	(33)	6
- Asset-Backed Securitisation portfolio	279,663	(135)	(36)
Other accrued income	2,707	-	-
Summary of financial instruments to which the impairment requirements in IFRS 9 are applied through the profit or loss	6,107,040	(5,997)	(266)
Total credit loss allowance/total income statement ECL charge for the period		(5,997)	(266)

As at 30 June 2026, the table above also includes the credit loss allowances attributable to the Securitisation Investment portfolio, which comprises the Group's investments in CLOs (acquired portions in Collateralised Loan Obligation ("CLO") transactions managed by third party entities), Securities Investment portfolio and Asset-Backed Securitisation Investment portfolio, included within "Investments measured at amortised cost".

The ECL charge for the Group in respect of these portfolios is not considered significant in absolute terms and, as a result, no further disclosures were deemed necessary.

The following table provides a reconciliation of movements in gross carrying/nominal amounts and credit loss allowances by stage for the International Lending portfolio followed by an analysis of the gross carrying/nominal amount and credit loss allowances as at 30 June 2025 and the ECL movement throughout the financial period.

	Non credit-impaired				Credit-impaired					
	Stage 1		Stage 2		Stage 3		POCI assets		Total	
	Gross carrying/ nominal amount €000	Credit loss allowance €000	Gross carrying/ nominal amount €000	Credit loss allowance €000	Gross carrying/ nominal amount €000	Credit loss allowance €000	Gross carrying/ nominal amount €000	Credit loss allowance €000	Gross carrying/ nominal amount €000	Credit loss allowance €000
International Corporate Lending portfolio										
Period ended 30 June 2025										
At beginning of period	124,687	(753)	52,350	(489)	60,260	(11,276)	453	(223)	237,750	(12,741)
Repayments and disposals	(44,338)	196	(9,470)	105	(61)	-	-	-	(53,869)	301
Transfers of financial instruments										
- Transfers from Stage 3	-	-	10,853	(267)	(10,853)	267	-	-	-	-
Net remeasurement of ECL arising from stage transfers and changes in risk parameters, including climate risk	-	84	-	(526)	-	(989)	-	(180)	-	(1,611)
Realisation of ECL through restructuring and disposals	-	-	-	-	(10,258)	8,246	-	-	(10,258)	8,246
Other	(1,662)	-	(1,010)	-	(628)	-	(50)	-	(3,350)	-
At end of period	78,687	(473)	52,723	(1,177)	38,460	(3,752)	403	(403)	170,273	(5,805)
ECL charged for the period										6,936
Realisation of ECL through restructuring and disposals										(70)
Other										(8,954)
Change in expected credit losses and other credit impairment charges for the period										(2,088)

	As at 30 June 2025		Period ended 30 June 2025
	Gross carrying/ nominal amount €000	Credit loss allowance €000	ECL (charge)/ release €000
As per preceding table	170,273	(5,805)	(2,088)
Balances at central banks	174,438	(2)	-
Loans and advances to financial institutions	302,633	(1)	-
Loans and advances to customers			
- Dutch Mortgage portfolio: drawn exposures	2,248,388	(286)	(35)
- Dutch Mortgage portfolio: undrawn commitments	75,411	(3)	-
- Belgian Mortgage portfolio: drawn exposures	429,456	(704)	(150)
- Belgian Mortgage portfolio: undrawn commitments	38,210	(18)	(5)
- Maltese Business Lending portfolio: drawn exposures	176,418	(996)	(53)
- Maltese Business Lending portfolio: undrawn commitments	172,598	-	-
- Maltese Mortgage portfolio: drawn exposures	139,236	(323)	(15)
- Maltese Mortgage portfolio: undrawn commitments	32,860	(55)	(3)
- Consumer Finance receivables portfolio: drawn exposures	8,007	(144)	22
- Consumer Finance receivables portfolio: undrawn commitments	763	-	-
Investments measured at amortised cost			
- Securities portfolio	734,813	(104)	(9)
- Securitisation portfolio	491,700	(49)	2
- Securitisation portfolio: commitments to purchase	147,622	(95)	-
Other accrued income	1,356	-	-
Summary of financial instruments to which the impairment requirements in IFRS 9 are applied through the profit or loss	5,344,182	(8,585)	(2,334)
Total credit loss allowance/total income statement ECL release for the period		(8,585)	(2,334)

Movements in ECL measured in respect of exposures within the Maltese Business Lending portfolio classified as Stage 1 and Stage 2 exposures, resulted in an increase in related credit loss allowances from €0.5 million to €1.0 million during the twelve-month period ending 30 June 2025. The Group's credit risk on this portfolio is also mitigated through the maintenance of adequate levels of collateralisation, typically by charges on real estate properties.

As at 30 June 2025, the table above also includes the credit loss allowances attributable to the Dutch Mortgage portfolio backed by the NHG guarantee scheme, the Belgian Mortgage portfolio and the Maltese Mortgage portfolio, the credit loss allowances attributable to the Securitisation Investment portfolio, which comprises the Group's investments in CLOs (acquired portions in Collateralised Loan Obligation ("CLO") transactions managed by third party entities), Securities Investment portfolio and Asset-Backed Securitisation Investment portfolio, included within "Investments measured at amortised cost".

The ECL charge for the Group in respect of these portfolios is not considered significant in absolute terms and, as a result, no further disclosures were deemed necessary.

7.4 Current conditions and forward-looking information incorporated in the ECL model

Point-in-time, forward-looking PD and LGD modelling methodology

The modelling methodology used by the Group in the measurement of credit loss allowances in respect of Stage 1 and Stage 2 exposures leverages current and multiple scenarios of future projections of macroeconomic data beyond the reporting date in order to determine point-in-time PDs and incorporate forward-looking information. Statistical models used are developed by an external vendor.

For the Dutch Mortgage portfolio (inclusive of the Dutch Buy-to-Let portfolio), the Group uses a model developed by an external vendor. PDs and LGDs are estimated by reference to the historical performance of the Dutch residential mortgage portfolio, incorporating loan-level characteristics such as loan-to-value ("LTV") ratios, loan age, borrower income, unemployment rate, arrears status and collateral valuations. The model conditions these risk parameters using forward-looking macroeconomic scenarios developed by the external vendor.

The internally developed model used to measure credit loss allowances in respect of all exposures classified within the Belgian and Maltese Mortgage portfolios estimates PDs and LGDs by reference to historical information observed in that jurisdiction for similar assets as well as multiple forward-looking macroeconomic forecasts for the respective economy developed by the external vendor.

For the International and Maltese Corporate Lending and Securities portfolios the models use rating scale to Through-the-cycle ("TTC") PD matrices calibrated on the basis of an underlying dataset of market observations to firstly determine a TTC PD and accordingly an implied rating for each borrower. The TTC PD/implied rating is determined by calibrating borrowers' financial and non-financial profile with those of observable rated peers. An exposure's implied rating is then converted to an unconditional PiT PD using a methodology which utilises market capitalisation/equity volatility and leverage of comparable firms, with shocks to a firm's stock price translated into corresponding shocks to the credit risk metric attributable to the underlying exposure. Therefore, equity market performance is a key variable for incorporating current conditions into the Group's ECL modelling methodology, particularly in the conversion from TTC to PiT PDs.

The methodology then utilises macroeconomic correlation models in order to determine the historical correlation of a borrower's financial performance with overall country or region-level macroeconomic conditions, with the correlation factors estimated principally by reference to borrower size as well as the industry in which the borrower operates. Multiple macroeconomic forecasts developed by an external vendor are then applied to PiT PDs to produce probability-weighted forward-looking conditioned PiT PDs in line with the requirements of IFRS 9. The conditioning of PDs by reference to multiple macroeconomic scenarios reflects forecasted quarter-on-quarter changes in macroeconomic variables (such as Gross Domestic Product ("GDP"), unemployment and House Price Index ("HPI")) over the PD term structure of the exposure. The Group's modelling methodology therefore estimates a point-in-time and forward-looking measure of default risk. The same methodology is also used to estimate PiT LGDs.

Input parameters similar to those of the Corporate and Securities portfolios do not exist for determining implied ratings of the Maltese Business Lending portfolio, mainly due to existing data limitations within the Maltese market. Therefore, implied ratings are assigned by the Credit Risk team using professional judgement by reference to default rates experienced in similar markets as well as the financial performance and position of the borrower in relation to financial performance and position at origination. A similar approach to that adopted for Corporate and Securities portfolios is applied to determine conditional PiT PDs, using the TTC implied risk ratings based on internal risk classifications by the Credit Risk team which are then adjusted to PiT forward looking PDs as described above.

Forecasts of future economic conditions

The Group applies macroeconomic scenarios sourced from an external vendor to the PD and LGD term structures for the estimation of credit loss allowances in respect of Stage 1 and Stage 2 exposures.

The macroeconomic scenarios represent the Group's view of the range of potential outcomes, and application of these scenarios captures the non-linearity of ECL under different scenarios for all portfolios.

The Group has chosen three macroeconomic scenarios that include a central, or baseline, scenario and two "alternative" scenarios to reflect upside and downside scenarios. The scenarios are constructed by the external vendor based on a target severity for each of the scenarios. While the baseline scenario is by design in the middle of possible future economic outcomes, the alternative scenarios capture alternative economic conditions that are equally distanced from the baseline in terms of their severity as per the assumptions of the external vendor. After their construction, the scenarios are each assigned probability weights based on the external vendor's severity distribution and on how well they approximate (simulated) possible future economic developments. The scenarios are generated/refreshed on a quarterly basis.

The macroeconomic scenarios used in the Group's modelling of credit loss allowances reflect possible macroeconomic paths taking into consideration a range of potential economic impacts arising from geopolitical tensions, assumptions regarding U.S. tariffs on the EU and other trading partners, developments in energy markets, monetary and fiscal policy assumptions, and Europe-U.S. relations in respect of Greenland. In light of ongoing geopolitical tensions and the economic uncertainty arising from recent International policy developments, the Group conducted rigorous monitoring of macroeconomic forecasts developed by the external vendor to assess the adequacy and reasonableness of the scenarios. Accordingly, the macroeconomic scenarios were reviewed on a quarterly basis.

The following table presents the year-on-year growth rates for the key macroeconomic variables ("MEVs") provided by the external vendor under the baseline and the alternative scenarios for the measurement of ECL for all portfolios as at 30 June 2026.

With respect to the Dutch Mortgage portfolio (inclusive of the Dutch Buy-to-Let portfolio), the Group utilises regional-level as well as national-level MEVs as appropriate in order to capture regional level peculiarities. The key MEVs used for the estimation of ECL in respect of exposures classified within these portfolios comprise the house price index, unemployment rates, a 10-year treasury rates, and real GDP growth with the national level forecasts used in the ECL calculation being disclosed in the following table.

For the Belgian Residential Mortgages portfolio, the key MEVs used for the estimation of ECL are national levels of house price index, unemployment rates, real GDP growth, compensation of employees and consumer price index.

With respect to the Maltese Residential Mortgages portfolio, the key MEVs used for the estimation of ECL are real GDP growth, unemployment rates, house price index, compensation of employees and consumer price index.

For the International Corporate Lending and Securities portfolios, MEVs are determined for each country, with the forecasted MEV data in respect of the countries to which the Group is mostly exposed being presented in the following tables. Eurozone MEVs are used in some cases, rather than country-level MEVs, as the former are deemed to have a higher correlation to the country specific portfolio assets. For exposures within the Maltese Business Lending portfolio and the Maltese Mortgages portfolio, Malta-specific MEVs are used for the measurement of credit loss allowances. The key MEVs used for the estimation of ECL for exposures classified within the Corporate and Securities portfolios comprise real GDP growth, the performance of stock market indices and unemployment rates.

Economic scenarios: Year-on-year Forecasts (2026 – 2029) for key MEVs

		International Lending and Treasury				Local Lending				Dutch Mortgages				Belgium Mortgages			
		Eurozone				Malta				Netherlands				Belgium			
Key Drivers	**ECL Scenario**	**2026**	**2027**	**2028**	**2029**	**2026**	**2027**	**2028**	**2029**	**2026**	**2027**	**2028**	**2029**	**2026**	**2027**	**2028**	**2029**
Real GDP - Growth %	Upside	0.9%	3.7%	1.5%	1.4%	3.6%	6.1%	5.5%	4.0%	1.1%	3.8%	1.7%	1.5%	0.6%	3.2%	1.6%	1.8%
	Baseline	0.9%	1.5%	1.6%	1.5%	3.6%	3.0%	6.0%	4.3%	1.1%	1.1%	1.7%	1.7%	0.6%	0.9%	1.7%	1.9%
	Downside 2	0.9%	-3.9%	2.2%	2.7%	3.6%	-2.6%	6.5%	5.5%	1.1%	-4.2%	2.0%	3.7%	0.6%	-4.5%	2.2%	3.0%
Unemployment Rate - Average %	Upside	6.2%	5.5%	5.4%	5.5%	3.3%	3.2%	3.2%	3.1%	4.0%	3.9%	3.8%	3.9%	6.2%	5.6%	5.4%	5.5%
	Baseline	6.3%	6.1%	6.0%	5.9%	3.3%	3.3%	3.2%	3.2%	4.0%	4.3%	4.5%	4.5%	6.3%	6.1%	6.0%	6.0%
	Downside 2	6.4%	7.4%	7.6%	7.1%	3.3%	3.4%	3.6%	3.5%	4.1%	5.6%	6.8%	6.4%	6.4%	7.5%	8.1%	7.3%
Stock Market Index - Growth %	Upside	16.7%	7.2%	-0.3%	2.5%	5.3%	14.1%	-1.7%	6.4%	-	-	-	-	-	-	-	-
	Baseline	16.7%	-0.9%	1.6%	4.2%	5.3%	8.9%	-1.4%	6.7%	-	-	-	-	-	-	-	-
	Downside 2	16.7%	-32.3%	13.2%	17.2%	5.3%	-12.5%	6.4%	11.3%	-	-	-	-	-	-	-	-
10Yr Treasury Rate - Average %	Upside	-	-	-	-	-	-	-	-	3.0%	3.1%	3.2%	3.3%	-	-	-	-
	Baseline	-	-	-	-	-	-	-	-	3.0%	2.9%	2.9%	3.0%	-	-	-	-
	Downside 2	-	-	-	-	-	-	-	-	3.0%	2.0%	1.8%	2.0%	-	-	-	-
House Price Index - Growth %	Upside	-	-	-	-	1.6%	4.1%	2.1%	1.6%	0.3%	5.0%	2.6%	1.4%	1.2%	4.3%	5.2%	4.0%
	Baseline	-	-	-	-	1.6%	3.0%	1.8%	1.3%	0.3%	1.7%	2.4%	2.2%	1.2%	3.7%	4.8%	3.9%
	Downside 2	-	-	-	-	1.6%	-1.4%	1.6%	1.5%	0.3%	-6.6%	-1.7%	6.4%	1.2%	1.7%	2.3%	5.0%
Compensation of Employees - Growth %	Upside	-	-	-	-	7.4%	6.2%	5.9%	6.0%	-	-	-	-	5.0%	3.0%	2.7%	3.0%
	Baseline	-	-	-	-	7.4%	5.0%	5.0%	5.6%	-	-	-	-	5.0%	2.3%	2.7%	3.2%
	Downside 2	-	-	-	-	7.4%	3.9%	2.5%	4.1%	-	-	-	-	5.0%	1.0%	2.5%	2.9%
Consumer Price Index - Growth %	Upside	-	-	-	-	2.4%	2.6%	2.3%	2.5%	-	-	-	-	2.8%	5.0%	4.7%	4.1%
	Baseline	-	-	-	-	2.4%	2.6%	2.2%	2.4%	-	-	-	-	2.8%	3.0%	3.8%	4.0%
	Downside 2	-	-	-	-	2.4%	2.0%	1.8%	2.0%	-	-	-	-	2.8%	-1.1%	1.1%	4.2%

With the current geopolitical tensions and the economic uncertainty arising from the current U.S. administration, rigorous monitoring of macroeconomic forecasts developed by the external vendor was performed by the Group in order to challenge the adequacy and reasonableness of the developed scenarios.

The scenarios have been benchmarked and assessed against the macroeconomic forecasts for the Euro area published by the ECB, in line with ECB guidance. In this respect, the Group's forward-looking macroeconomic scenarios are deemed to be aligned with the ECB's macroeconomic forecasts for the Euro area.

As at 30 June 2026 and 31 December 2025, Management selected to use three scenarios developed and recommended by the external vendor which are deemed to be mostly aligned with the ECB Staff projections. Specifically, Management selected the Baseline, the Upside, and the Downside 2 scenarios.

Model adjustments

ECB guidance states that subjective model inputs and post-core model adjustments (overlays) may be used given the current level of uncertainties. These need to be directionally consistent with objective and verifiable evidence such as observable macroeconomic variables and forward-looking forecasts.

To ensure that the Group is adequately capturing the level of credit risk in its Belgian Mortgage portfolio, an assessment was performed and the Group applied a post model adjustment in respect of two loans where the enforcement process was at an advanced stage. The expected loss on these exposures, based on the latest available information, exceeded the loss output produced by the model, and accordingly the Group has recognised the difference between the two as a post model adjustment to ensure the loss allowance appropriately reflects the level of credit risk.

7.5 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if the transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The judgement as to whether a market is active may include, but is not restricted to, the consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid/offer spreads.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by the quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss only to the extent that it arises from a change in a factor (including time) that market participants would consider in setting a price.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

7.5.1 Fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted market prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. Financial instruments which are generally included in this category include certain loans and advances to customers and over-the-counter derivatives where the fair value is based on observable inputs.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

7.5.2 Use of valuation techniques

In the event that the market for a financial instrument is not active, a valuation technique is used. Valuation techniques may incorporate assumptions about factors that other market participants would use in their valuations, including:

- the likelihood and expected timing of future cash flows from the instrument;
- selecting an appropriate discount rate for the instrument; and
- judgement to determine what model to use to calculate fair value in areas where the choice of valuation model is particularly subjective.

A range of valuation techniques is employed, dependent on the instrument type and available market data. Most valuation techniques are based upon discounted cash flow analyses, in which expected future cash flows are calculated and discounted to present value using a discounting curve. Prior to considering credit risk, the expected future cash flows may be known, as would be the case for the fixed leg of an interest rate swap, or may be uncertain and require projection, as would be the case for the floating leg of an interest rate swap. Projections utilise market forward curves, if available.

Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and foreign currency exchange rates and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognised valuation models for determining the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require minimal management judgement and estimation.

Fair value of investment securities in inactive markets are based on:

- quoted prices of similar instruments, performing numerical procedures such as interpolation when input values do not directly correspond to the most active market trade parameters; or
- price quotations in respect of orderly transactions between market participants provided by reputable dealers.

Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

7.5.3 Financial instruments measured at fair value

The following table analyses financial instruments measured at fair value at the end of the reporting period, in terms of the respective levels within the fair value hierarchy into which the respective fair value measurement is categorised. The fair value amounts are based on the carrying amounts reflected in the condensed consolidated interim statement of financial position.

	As at 30 June 2026				As at 31 December 2025			
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
	€000	**€000**	**€000**	**€000**	€000	€000	€000	€000
Assets								
Instruments mandatorily measured at fair value through profit or loss								
- Derivative financial instruments	**-**	**171,744**	**-**	**171,744**	-	185,928	-	185,928
Liabilities								
Derivative financial instruments	**-**	**10,678**	**-**	**10,678**	-	11,204	-	11,204

Level 2 assets principally comprise derivatives held for risk management that are fair valued based on valuation models with the key methodology utilised comprising the calculation of the net present value of a series of expected cash flows, considering the different terms of each specific contract/instrument (discounted cash flow approach). These models use as their basis independently sourced market parameters including, for example, interest rate yield curves. Market parameters are either directly observable or are implied from observable instrument prices. The model may perform numerical procedures in respect of pricing such as interpolation when input values do not directly correspond to the most active market trade parameters.

The following table shows a reconciliation of the fair value measurements in Level 3 of the fair value hierarchy:

	Derivative financial instruments measured at fair value through profit or loss	
	2026	2025
	€000	€000
Period ended 30 June		
At beginning and end of period	**-**	511

As at 30 June 2025, the Group's exposure to Level 3 assets consisted of tax warrants.

7.5.4 Transfers between levels

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred.

There were no transfers between levels of the fair value hierarchy during the period from 1 January 2026 to 30 June 2026 and during the financial year ended 31 December 2025.

7.6 Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analyses them in terms of the respective level within the fair value hierarchy into which the respective fair value measurement is categorised. This table includes only financial instruments in respect of which fair value is estimated to be materially different than the carrying amounts.

	As at 30 June 2026				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
	€000	€000	€000	€000	€000
Assets					
Loans and advances to customers	-	-	2,671,853	2,671,853	2,934,523
- Dutch Mortgage portfolio *	-	-	2,131,765	2,131,765	2,355,400
- Belgian Mortgage portfolio *	-	-	540,088	540,088	579,123
Investments	958,996	279,644	331,152	1,569,792	1,575,275
- Securities portfolio	958,996	-	-	958,996	964,676
- Securitisation portfolio	-	-	331,152	331,152	331,071
- Asset-Backed Securitisation portfolio	-	279,644	-	279,644	279,528
Total financial assets	958,996	279,644	3,003,005	4,241,645	4,509,798
Liabilities					
Debt securities in issue	-	-	857,445	857,445	855,331
Subordinated liabilities	55,594	-	11,316	66,910	68,194
Total financial liabilities	55,594	-	868,761	924,355	923,525

	As at 31 December 2025				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
	€000	€000	€000	€000	€000
Assets					
Loans and advances to customers	-	-	2,573,728	2,573,728	2,806,170
- Dutch Mortgage portfolio	-	-	2,067,520	2,067,520	2,265,686
- Belgian Mortgage portfolio	-	-	506,208	506,208	540,484
Investments	884,232	159,070	391,823	1,435,125	1,441,455
- Securities portfolio	884,232	-	-	884,232	890,401
- Securitisation portfolio	-	-	391,823	391,823	392,060
- Asset-Backed Securitisation portfolio	-	159,070	-	159,070	158,994
Total financial assets	884,232	159,070	2,965,551	4,008,853	4,247,625
Liabilities					
Debt securities in issue	-	-	603,736	603,736	602,397
Subordinated liabilities	54,489	-	11,996	66,485	67,329
Total financial liabilities	54,489	-	615,732	670,221	669,726

* The International mortgage portfolios disclosed in the preceding tables are presented exclusive of the IFRS basis adjustment equivalent to €161.0 million (31 December 2025: €174.6 million).

In addition to the above, in February 2021 MDB Group Limited issued €11 million fixed rate reset callable subordinated notes. The proceeds from the issuance of these notes were lend to MeDirect Malta as a subordinated loan, that is disclosed within the subordinated liabilities note.

The fair value of €11.3 million (31 December 2025: €12.0 million) of these notes was determined by projecting the cashflows to the first call date and discounting with January-end Euro short-term rate ("ESTR") curves to obtain the spread over the said curve. In the absence of trades since issue of this these loans in February 2021, the fair value calculation considers the impact of the rise in interest rates throughout this period which is the most likely meaningful contribution to the change in fair value. The spread over the ESTR curves during this period was utilised to measure the present values of future cashflows.

The Level 1 fair values reflected in the tables above consist of the closing bid price quoted in an active market in respect of debt securities classified under the Securities Investment portfolio and subordinated bonds issued by the Group.

The Level 2 fair value disclosures of the Asset-Backed Securitisation Investment portfolio reflected in the preceding tables consist of the closing bid prices based on quotes from multiple contributors, including both executable and indicative quotes.

Loans and advances to customers forming part of the International Corporate Lending portfolio amounting to €10.0 million (31 December 2025: €21.5 million), net of ECL, have not been reflected within the preceding table given that there were no observable market prices or any public information available but due to the contractual terms of these instruments, the fair value is not deemed to differ materially from the carrying amount at the reporting date.

The Level 3 assets also include the following:

- Dutch mortgages amounting to €2,355.4 million (31 December 2025: €2,265.7 million) and Belgium mortgages amounting to €579.1 million (31 December 2025: €540.5 million) included in Loans and advances to customers. In order to derive their fair value as at 30 June 2026 and 31 December 2025, the Group bootstraps the average of the top three interest rate quotes offered by Dutch government-backed mortgage loan lenders in the Netherlands and Belgian mortgage loan lenders in Belgium respectively for every mortgage fixed rate tenor to create a zero coupon discount curve and applies this curve to discount the projected future cashflows. In addition, to estimate the future cashflows, the Group considers both instrument-specific contractual terms and estimated conditional prepayment rates.

- The Group's investments in tranches of securitisation structures amounting to €331.1 million (31 December 2025: €392.1 million) which are rated AAA, and for which a fair value is determined using third party valuation models to estimate the net present value of a series of expected cash flows, taking into consideration instrument-specific contractual terms (discounted cash flow approach). Amongst other things, these models take into consideration the characteristics of the underlying portfolio of assets (including quality of underlying assets), historical portfolio performance, and the liability structure of the CLO transaction. These models also make use of independently sourced market parameters including, for example, interest rate yield curves.

As at 30 June 2026, the carrying amount for loans and advances to customers classified under the Maltese Business Lending portfolio amounting to €293.1 million (31 December 2025: €208.9 million), Maltese Mortgage portfolio amounting to €160.9 million (31 December 2025: €151.4 million) and Consumer Finance receivables portfolio amounting to €11.7 million (31 December 2025: €9.5 million) approximates their fair value because these loans are repriceable at the Group's discretion.

The Group's financial instruments not measured at fair value also comprise balances with central banks, loans and advances to financial institutions and amounts owed to financial institutions and customers. The fair values of these financial assets and liabilities are not disclosed given that the carrying amount is a reasonable approximation of fair value because these are either re-priced to current market rates frequently or are short-term in nature.

As at 30 June 2026, all exposures classified under loans and advances to financial institutions amounting to €261.0 million (31 December 2025: €329.0 million), and balances with central banks amounting to €475.3 million as at 30 June 2026 (31 December 2025: €272.6 million), reprice or mature in less than one year. Hence their fair value is not deemed to differ materially from their carrying amount at the reporting date.

Fair values referred to above are estimated using discounted cash flows, applying market rates.

The 'Amounts owed to financial institutions' of the Group as at 30 June 2026 amounting to €164.2 million (31 December 2025: €209.8 million) and 'Amounts owed to customers' of the Group amounting to €4.2 billion (31 December 2025: €4.0 billion), sourced from the Maltese and Belgian markets, re-price or mature in less than one year. Hence their fair value is not deemed to differ materially from their carrying amount at the reporting date. Fair values of these liabilities are estimated using discounted cash flows, applying current rates offered for deposits of similar remaining maturities. The fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount payable is required to be paid.

The fair value estimates of balances with central banks, loans and advances to financial institutions, and amounts owed to financial institutions are considered Level 2 fair value estimates, whilst the fair value estimates of loans and advances to customers and amounts owed to customers are deemed to be Level 3 fair value estimates.

8. Capital and reserves

Share capital

	30 June 2026 No.	31 December 2025 No.
Authorised:		
Ordinary 'A' shares of €1 each	**299,999,999**	299,999,999
Ordinary 'B' shares of €1 each	**1**	1
	300,000,000	300,000,000
Issued and fully paid up:		
Ordinary 'A' shares of €1 each	**117,450,106**	117,450,106
Ordinary 'B' shares of €1 each	**1**	1
	117,450,107	117,450,107

Rights and entitlements attached to ordinary shares

The holders of Ordinary 'A' shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Bank. Ordinary 'B' shareholders are not entitled to vote and do not carry any dividend entitlement. The holders of the Ordinary 'A' shares and the holders of the Ordinary 'B' shares shall be equally entitled to receive notice of general meetings of the Bank.

Share premium

Share premium as at the reporting date represents the amounts paid up by the Bank's shareholders in capital issues in excess of the par value. As at 30 June 2026, the share premium amounts to €13.5 million (31 December 2025: €13.5 million).

Shareholders' contributions

By virtue of the board resolution dated 26 June 2026, the Bank accepted capital a contribution from MDB Group Limited amounting to €23.4 million.

The terms and conditions of the contributions granted render these instruments equity in nature in accordance with the requirements of IAS 32: Financial Instruments - Presentation:

- The Bank has no obligation to bear any servicing cost or transfer any economic benefits of any kind to the Contributor or any other person in return; and
- The Bank has no obligation to repay the contributions.

The contributions are also eligible as own funds in terms of the Capital Requirements Regulation.

Other reserves

As at 30 June 2026, other reserves of the Group comprises of a legal reserve amounting to €2.1 million (31 December 2025: €2.1 million) that is required to be maintained by MeDirect Belgium in line with Article 7:211 of the Belgian Companies Code which requires MeDirect Belgium to assign at least 5% of MeDirect Belgium's net profits to the legal reserve until such legal reserve amounts to 10% of MeDirect Belgium share capital.

All reserves at the reporting date, except for the Bank's retained earnings and the shareholders' contribution, are non-distributable.

9. Interest income

Interest income for the financial period ended 30 June 2026 include a negative amount of €0.6 million (Period ended 30 June 2025: positive amount of €0.1 million) that is derived from hedge ineffectiveness from the interest rate swaps entered into to hedge the fixed-rate international retail mortgages portfolios and fixed-rate corporate loans.

10. Fee and commission income

	Period ended 30 June	
	2026	2025
	€000	€000
Fee and commission income		
Corporate secured lending fee income	**23**	104
Banking transactions fee income	**827**	1,656
Investment services fees	**4,807**	4,627
Other fee income	**445**	383
Total fee and commission income	**6,102**	6,770

11. Contingent liabilities and commitments

Guarantee obligations

As at 30 June 2026, the Group had cash secured guarantee obligations amounting to €15.8 million (31 December 2025: €19.4 million).

Commitments to lend

Commitments to lend represent undrawn formal standby facilities, credit facilities and other similar commitments to lend. As at 30 June 2026, lending commitments in relation to the Group's Dutch Mortgage portfolio amounted to €111.0 million (31 December 2025: €73.4 million), the Belgian Mortgage portfolio amounted to €15.6 million (31 December 2025: €37.8 million) and the Maltese Mortgage portfolio amounted to €22.0 million (31 December 2025: €31.5 million).

As at 30 June 2026, undrawn facilities on corporate term loans of the Group amounted to €211.2 million (31 December 2025: €143.0 million) and undrawn facilities under Consumer Finance receivables portfolio amounted to €1.0 million (31 December 2025: €1.4 million).

As at 31 December 2025, the Group had undrawn commitments of €13.6 million under international lending revolving credit facilities.

12. Related party transactions

As detailed in Note 8, by virtue of the board resolution dated 26 June 2026, the Bank accepted a capital contribution from MDB Group Limited amounting to €23.4 million.

There were no further material changes in related party transactions from those detailed in the financial statements for the financial year ended 31 December 2025.

No further related party transactions materially affected the financial position or liquidity of the Group.

13. Events after the reporting date

There were no events after the reporting date that would have a material effect on the financial statements of the Group.

14. MDB Group Regulatory information

Key regulatory ratios	Capital management			Liquidity management	
	Tier 1 capital ratio	*Total capital ratio*	*Leverage ratio*	*LCR*	*NSFR*
30 June 2026	20.7%	22.9%	4.8%	184%	131%
31 December 2025	20.8%	23.5%	4.8%	196%	133%