my money, my choices, my bank

Prospectus

31 August 2026

in respect of an issue of

€30,000,000 5.85%
Unsecured Subordinated Bonds due 2031 - 2036

with a nominal value of €100 per Bond to be issued at par.

PROSPECTUS

dated 31 August 2026, and issued by

me direct
my money, my choices, my bank

MEDIRECT BANK (MALTA) PLC

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA WITH COMPANY REGISTRATION NUMBER C 34125 AND WITH ITS REGISTERED OFFICE AT THE CENTRE, TIGNE' POINT, SLIEMA TPO 0001, MALTA (THE "**BANK**").

IN RESPECT OF AN ISSUE OF €30,000,000 5.85% UNSECURED SUBORDINATED BONDS DUE 2031 - 2036

with a nominal value of €100 per Bond to be issued at par.

ISIN: MT0000551326

THIS PROSPECTUS HAS BEEN APPROVED BY THE MFSA AS THE COMPETENT AUTHORITY IN MALTA FOR THE PURPOSES OF THE PROSPECTUS REGULATION. THE MFSA HAS ONLY APPROVED THIS PROSPECTUS AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION AND SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE BANK OR OF THE QUALITY OF THE BONDS.

THE MFSA HAS AUTHORISED THE ADMISSIBILITY OF THE BONDS TO LISTING ON THE OFFICIAL LIST OF THE MSE, WHICH MEANS THAT THE BONDS ARE IN COMPLIANCE WITH THE CAPITAL MARKETS RULES. IN PROVIDING THIS AUTHORISATION, THE MFSA DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS OF INVESTING IN THE BONDS AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN THE BONDS. THE MFSA ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THE BONDS.

PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN THE BONDS. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE INVESTING IN THE BONDS. THE BONDS ARE COMPLEX FINANCIAL INSTRUMENTS AND MAY NOT BE SUITABLE FOR ALL TYPES OF INVESTORS. AUTHORISED INTERMEDIARIES MAY ONLY DISTRIBUTE THE BONDS TO RETAIL CLIENTS SUBJECT TO A SUITABILITY TEST TO BE PERFORMED IN RESPECT OF SUCH APPLICANTS, IRRESPECTIVE OF THE INVESTMENT SERVICE BEING PROVIDED. AN AUTHORISED INTERMEDIARY SHALL NOT ACCEPT AN APPLICATION FROM A RETAIL CLIENT UNLESS IT IS SATISFIED, BASED ON THE RESULTS OF SUCH SUITABILITY TEST, THAT AN INVESTMENT IN THE BONDS IS SUITABLE FOR THE APPLICANT.

Sponsor & Manager	Legal Counsel	Registrar
rizzo farrugia wealth | capital markets	ganado advocates	MALTA STOCK EXCHANGE

Approved by the Directors of the Bank:

Izabela Banas in her capacity as Director of the Bank and on behalf of Stephen k/a Steve Agius, Bart Bronselaer, Josef Holub, Martin Kubíček, Jean-Claude Maher, Dina Quraishi and John Zarb.

IMPORTANT INFORMATION

THIS PROSPECTUS CONTAINS INFORMATION ON THE BANK AND THE BOND ISSUE IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

THIS PROSPECTUS HAS BEEN APPROVED BY THE MFSA, AS COMPETENT AUTHORITY, IN SATISFACTION OF THE CAPITAL MARKETS RULES, AND HAS BEEN FILED WITH THE MSE IN SATISFACTION OF THE MSE BYE-LAWS AND WITH THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE COMPANIES ACT. THIS PROSPECTUS IS PUBLISHED IN ELECTRONIC FORM ON THE WEBSITE OF THE MFSA, THE WEBSITE OF THE SPONSOR, ON THE BANK'S WEBSITE AND IS ALSO AVAILABLE, IN PRINTED FORM, FREE OF CHARGE, FROM THE REGISTERED OFFICE OF THE BANK.

INVESTING IN THE BONDS INVOLVES CERTAIN RISKS AND SPECIAL CONSIDERATIONS. A NUMBER OF RISK FACTORS RELATING TO THE BANK AND THE BONDS ARE SET OUT IN SECTION 1 BELOW, AND PROSPECTIVE INVESTORS ARE ENCOURAGED TO READ THEM CAREFULLY. PROSPECTIVE INVESTORS ARE ENCOURAGED TO SEEK ADVICE FROM A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENSED UNDER THE INVESTMENT SERVICES ACT.

MIFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES – SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S (I.E. THE BANK'S) PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS HAS LED TO THE CONCLUSION THAT: (I) THE TARGET MARKET FOR THE BONDS IS ELIGIBLE COUNTERPARTIES, PROFESSIONAL CLIENTS AND RETAIL CLIENTS THAT (A) HAVE A MODERATE OR HIGHER DEGREE OF KNOWLEDGE AND EXPERIENCE WITH RESPECT TO SIMILAR INVESTMENTS AND ARE CAPABLE OF UNDERSTANDING THE CHARACTERISTICS AND RISKS OF SUBORDINATED BONDS, INCLUDING SUBORDINATION, BAIL-IN RISK, LOSS ABSORPTION RISK, EARLY REDEMPTION RISK AND SECONDARY MARKET LIQUIDITY RISK, (B) ARE ABLE TO BEAR FINANCIAL LOSSES INCLUDING LOSSES UP TO AND INCLUDING THE LOSS OF THE ENTIRE AMOUNT INVESTED, PRIMARILY THOSE WITH A MODERATE OR HIGHER CAPACITY TO BEAR FINANCIAL LOSSES AND WHOSE FINANCIAL SITUATION PERMITS LONG-TERM INVESTMENT EXPOSURE, (C) ARE WILLING TO TOLERATE RISK, PRIMARILY THOSE WITH MODERATE OR HIGHER RISK BEARING TOLERANCE, AND (D) ARE SEEKING TO DIVERSIFY AN EXISTING PORTFOLIO OF INVESTMENTS AND WHOSE INVESTMENT OBJECTIVE IS REGULAR INCOME WITH A HOLDING PERIOD OF NOT LESS THAN 5 YEARS; (II) ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND (III) ONLY THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE BONDS TO RETAIL CLIENTS ARE APPROPRIATE — INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, AND NON-ADVISED SALES, SUBJECT TO THE DISTRIBUTOR'S OBLIGATIONS UNDER MIFID II AND BRRD II, AS APPLICABLE AND PROVIDED THAT ANY RETAIL CLIENT INVESTS ONLY FOLLOWING A POSITIVE SUITABILITY ASSESSMENT WHERE REQUIRED UNDER APPLICABLE LAW. THE TARGET MARKET ASSESSMENT INDICATES THAT THE BONDS ARE INCOMPATIBLE WITH THE NEEDS, CHARACTERISTICS AND OBJECTIVES OF CLIENTS WHO ARE FULLY RISK AVERSE / HAVE NO RISK TOLERANCE OR ARE SEEKING ON-DEMAND FULL REPAYMENT OF THE AMOUNTS INVESTED, GUARANTEED RETURNS, DEPOSIT-LIKE CHARACTERISTICS, LOW-RISK INVESTMENTS AND SHORT-TERM LIQUIDITY. THE BONDS DO NOT PURSUE ANY ENVIRONMENTAL, SOCIAL OR SUSTAINABILITY OBJECTIVE AND ARE NOT INTENDED SPECIFICALLY FOR INVESTORS WITH SUSTAINABILITY PREFERENCES. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE BONDS (A 'DISTRIBUTOR') SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT.

HOWEVER, A DISTRIBUTOR, SUBJECT TO MIFID II, IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS, SUBJECT TO THE DISTRIBUTOR'S OBLIGATIONS UNDER MIFID II AND BRRD II, AS APPLICABLE. THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL, LEGAL OR REGULATORY SELLING RESTRICTIONS IN RELATION TO THE OFFERING. FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE BONDS OR ANY OTHER SECURITIES.

AUTHORISED INTERMEDIARIES MAY ONLY DISTRIBUTE THE BONDS TO RETAIL CLIENTS SUBJECT TO A SUITABILITY TEST TO BE PERFORMED IN RESPECT OF SUCH APPLICANTS, IRRESPECTIVE OF THE INVESTMENT SERVICE BEING PROVIDED. AN AUTHORISED INTERMEDIARY SHALL NOT ACCEPT AN APPLICATION FROM

A RETAIL CLIENT UNLESS IT IS SATISFIED, BASED ON THE RESULTS OF SUCH SUITABILITY TEST, THAT AN INVESTMENT IN THE BONDS IS SUITABLE FOR THE APPLICANT.

THE BANK CONFIRMS THAT: (I) THIS PROSPECTUS CONTAINS ALL MATERIAL INFORMATION WITH RESPECT TO THE BANK AND THE BONDS; (II) THE INFORMATION CONTAINED HEREIN IN RESPECT OF THE BANK AND THE BONDS IS ACCURATE IN ALL MATERIAL RESPECTS AND IS NOT MISLEADING; (III) ANY OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND BASED ON REASONABLE ASSUMPTIONS; (IV) THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT, WHETHER FACT OR OPINION, IN THIS PROSPECTUS MISLEADING IN ANY MATERIAL RESPECT; AND (V) ALL REASONABLE ENQUIRIES HAVE BEEN MADE TO ASCERTAIN ALL FACTS AND TO VERIFY THE ACCURACY OF ALL STATEMENTS CONTAINED HEREIN.

NO PERSON HAS BEEN AUTHORISED TO GIVE ANY INFORMATION, ISSUE ANY ADVERTISEMENT OR MAKE ANY REPRESENTATION WHICH IS NOT CONTAINED OR CONSISTENT WITH THIS PROSPECTUS OR ANY OTHER DOCUMENT PRODUCED IN RELATION TO THE BANK AND/OR THE BONDS AND, IF GIVEN OR MADE, SUCH INFORMATION, ADVERTISEMENT OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE BANK.

ALL THE ADVISORS TO THE BANK HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE BANK IN RELATION TO THIS PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE CONTENTS OF, AND ANY INFORMATION CONTAINED IN, THE PROSPECTUS OR ANY OTHER DOCUMENT ENTERED INTO IN RELATION TO THE BONDS, THEIR COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH. ACCORDINGLY, NONE OF THE ADVISORS OR ANY PERSON MENTIONED IN THIS PROSPECTUS, OTHER THAN THE BANK, SHALL BE RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS, IN ANY SUPPLEMENT, IN ANY DOCUMENTS INCORPORATED BY REFERENCE, OR ANY OTHER DOCUMENT ENTERED INTO IN RELATION TO THE BONDS AND ACCORDINGLY, TO THE EXTENT PERMITTED BY THE LAWS OF ANY RELEVANT JURISDICTION, NONE OF THESE PERSONS ACCEPT ANY RESPONSIBILITY AS TO THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OF THESE DOCUMENTS.

EACH PERSON RECEIVING THIS PROSPECTUS ACKNOWLEDGES THAT SUCH PERSON HAS NOT RELIED ON ANY OF THE ADVISORS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION AND EACH PERSON MUST RELY ON (A) ITS OWN EVALUATION OF THE BANK AND THE BONDS AND THE MERITS AND RISKS INVOLVED IN INVESTING IN THE BONDS AND (B) THEIR OWN PROFESSIONAL ADVISORS, AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE BANK AND WHETHER TO ACQUIRE THE BONDS.

PROSPECTIVE INVESTORS SHOULD NOT TREAT THE CONTENTS OF THE PROSPECTUS AS ADVICE RELATING TO LEGAL, TAXATION, INVESTMENT OR ANY OTHER MATTERS AND SHOULD INFORM THEMSELVES, IN CONSULTATION WITH THEIR PROFESSIONAL ADVISORS ON: (A) THE LEGAL, TAX, FINANCIAL AND OTHER REQUIREMENTS FOR THE PURCHASE, HOLDING, TRANSFER OR OTHER DISPOSAL OF BONDS IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE; (B) ANY FOREIGN EXCHANGE RESTRICTIONS APPLICABLE TO THE PURCHASE, HOLDING, TRANSFER OR OTHER DISPOSAL OF BONDS WHICH THEY MIGHT ENCOUNTER; AND (C) THE INCOME AND OTHER TAX CONSEQUENCES WHICH MAY APPLY IN THEIR OWN COUNTRIES AS A RESULT OF THE PURCHASE, HOLDING, TRANSFER OR OTHER DISPOSAL OF BONDS.

THIS PROSPECTUS AND/OR ANY OTHER DOCUMENT PRODUCED IN RELATION TO THE BANK, AND/OR THE BONDS AND/OR THE BOND ISSUE AND/OR THE DELIVERY OF ANY BONDS MAY NOT BE TAKEN AS AN IMPLICATION THAT: (I) THE INFORMATION CONTAINED IN SUCH DOCUMENTS IS ACCURATE AND COMPLETE SUBSEQUENT TO THEIR RESPECTIVE DATES OF ISSUE; (II) THERE HAS BEEN NO ADVERSE CHANGE IN THE FINANCIAL CONDITION OF THE BANK SINCE SUCH DATES; OR (III) ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE MATTERS CONTAINED IN THE AFOREMENTIONED DOCUMENTS IS ACCURATE AT ANY TIME SUBSEQUENT TO THE DATE ON WHICH IT IS SUPPLIED OR, IF DIFFERENT, THE DATE INDICATED IN THE DOCUMENT CONTAINING THE SAME.

THIS PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR THE PURPOSES OF AN OFFER, INVITATION OR SOLICITATION TO ANY PERSON: (I) IN ANY JURISDICTION IN WHICH SUCH OFFER, INVITATION OR SOLICITATION IS NOT AUTHORISED; (II) IN ANY JURISDICTION IN WHICH ANY PERSON MAKING SUCH OFFER, INVITATION OR SOLICITATION IS NOT QUALIFIED TO DO SO; OR (III) TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, INVITATION OR SOLICITATION. THE DISTRIBUTION OF THIS PROSPECTUS IN CERTAIN JURISDICTIONS

MAY BE RESTRICTED AND ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE BONDS, ALL THE RIGHTS AND OBLIGATIONS OF THE BONDHOLDERS AND THE BANK, AND ANY NON-CONTRACTUAL OBLIGATIONS ARISING OUT OF, OR IN CONNECTION WITH, THE BONDS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH MALTESE LAW. THE COURTS OF MALTA SHALL HAVE EXCLUSIVE JURISDICTION TO SETTLE ANY DISPUTES THAT MAY ARISE OUT OF OR IN CONNECTION WITH THE BONDS, ALL THE RIGHTS AND OBLIGATIONS OF THE BONDHOLDERS AND/OR THE BANK, AND ANY NON-CONTRACTUAL OBLIGATIONS ARISING OUT OF OR IN CONNECTION WITH THE BONDS.

THIS PROSPECTUS MUST BE READ IN ITS ENTIRETY, AND CONSTRUED IN CONJUNCTION WITH ANY SUPPLEMENT THERETO AND ANY DOCUMENTS THAT ARE INCORPORATED THEREIN BY REFERENCE.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE BANK'S WEBSITE (OR ANY OTHER WEBSITE REFERRED TO HEREIN) OR ANY OTHER WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE BANK'S WEBSITE DO NOT FORM PART OF THIS PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITE AS A BASIS FOR A DECISION TO ACQUIRE THE BONDS.

STATEMENTS MADE IN THIS DOCUMENT ARE (EXCEPT WHERE OTHERWISE STATED) BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THERETO.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS.

THIS PROSPECTUS IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. THE BANK IS NOT OBLIGED TO PUBLISH A SUPPLEMENT TO THIS PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES, OR MATERIAL INACCURACIES WHICH ARISE FOLLOWING THE LAPSE OF THE PERIOD OF VALIDITY OF THIS PROSPECTUS, PROVIDED THAT THE BANK SHALL NOT BE OBLIGED TO SUPPLEMENT THIS PROSPECTUS SHOULD THE AFORESAID SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES, OR MATERIAL INACCURACIES ARISE OR BE NOTED FOLLOWING, THE LATER OF THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON THE OFFICIAL LIST BEGINS.

TABLE OF CONTENTS

DEFINITIONS

The following words and expressions shall bear the following meanings, except where the context otherwise requires:

2017 EUR Bonds	the €18,651,000 5% subordinated unsecured bonds due 2027 with ISIN MT0000551284 issued by the Bank (then named Mediterranean Bank plc) pursuant to the 2017 Prospectus;
2017 GBP Bonds	the £1,188,000 5% subordinated unsecured bonds due 2027 with ISIN MT0000551292 issued by the Bank (then named Mediterranean Bank plc) pursuant to the 2017 Prospectus;
2017 Prospectus	the prospectus of the Bank dated 25 September 2017 for the issue of the euro equivalent of €20,000,000 in aggregate pursuant to which the 2017 EUR Bonds and the 2017 GBP Bonds were issued;
2019 EUR Bonds	the €32,202,000 4% subordinated unsecured bonds due 2029 with ISIN MT0000551300 issued by the Bank pursuant to the 2019 Prospectus;
2019 GBP Bonds	the £2,417,000 4% subordinated unsecured bonds due 2029 with ISIN MT0000551318 issued by the Bank pursuant to the 2019 Prospectus;
2019 Prospectus	the prospectus of the Bank dated 7 October 2019 for the issue of the euro equivalent of €35,000,000 in aggregate pursuant to which the 2019 EUR Bonds and the 2019 GBP Bonds were issued;
Additional Tier 1 Capital	the term used in the CRD and in the CRR to denote capital of the Bank maintained in terms of article 61 of the CRR and consisting of Additional Tier 1 items in terms of article 51 of the CRR, or, if such term is no longer used, any equivalent or successor term, whether in the same law or regulations or in any other law or regulation applicable to the Supervised Group and/or the Bank from time to time;
Additional Tier 1 Instruments	Additional Tier 1 instruments for the purposes of the Ranking Legislation and/or the Recovery & Resolution Regulations;
Applicant/s	an applicant for the Bonds pursuant to an Application;
Application	the relevant agreement/s and/or the form of application/s used to subscribe for Bonds;
Authorised Intermediary	each of the licensed stockbrokers and financial intermediaries (which include the Bank) whose details are included in annex A to this Prospectus;
Bank	MeDirect Bank (Malta) plc, a public limited liability company registered under the laws of Malta with company registration number C 34125 and with its registered office at The Centre, Tigne' Point, Sliema TPO 0001, Malta and licensed by the MFSA as a credit institution in terms of the Banking Act;
Banka CREDITAS	Banka Creditas A.S, a joint-stock company registered under the laws of the Czech Republic with company registration number 63492555 and with its registered office at Sokolovska 675/9, Karlin, 186 00 Prague 8, Czech Republic;
Banking Act	the Banking Act, Chapter 371 of the laws of Malta, as may be amended from time to time;
Bastion 2021-1 NHG B.V.	Bastion 2021-1 NHG B.V., a private limited liability company registered under the laws of the Netherlands with company registration number 80428959 and with its registered office at Basisweg 10, 1043AP Amsterdam;
Bastion 2022-1 NHG B.V.	Bastion 2022-1 NHG B.V., a private limited liability company registered under the laws of the Netherlands with company registration number 88145026 and with its registered office at Basisweg 10, 1043AP Amsterdam;
Bastion 2025-1 NHG B.V.	Bastion 2025-1 NHG B.V., a private limited liability company registered under the laws of the Netherlands with company registration number 96764570 and with its registered office at Basisweg 10, 1043AP Amsterdam;
Board	the board of directors of the Bank;
Bond/s	the €30,000,000 5.85% unsecured subordinated bonds 2031 - 2036 to be issued by the Bank in terms of this Prospectus;
Bond Issue	the issue of Bonds pursuant to this Prospectus;

Bondholder/s	any holder/s of the Bonds from time to time, as evidenced by an electronic entry in the CSD Register;
BRRD	Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, as may be amended from time to time;
BRRD II	Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, as may be amended from time to time;
Business Day	any day from Monday to Friday, on which commercial banks in Malta settle payments and are open for normal banking business;
Capital Markets Rules	the capital markets rules issued by the MFSA in terms of the Financial Markets Act, as may be amended from time to time;
CET 1 Capital	the term used in the CRD and in the CRR to denote capital of the Bank maintained in terms of article 50 of the CRR and consisting of Common Equity Tier 1 items in terms of article 26 of the CRR, or, if such term is no longer used, any equivalent or successor term, whether in the same law or regulations or in any other law or regulation applicable to the Supervised Group and/or the Bank from time to time;
CET 1 Instruments	CET 1 instruments for the purposes of the Ranking Legislation and/or the Recovery & Resolution Regulations;
Companies Act	the Companies Act, Chapter 386 of the laws of Malta, as may be amended from time to time;
Conduct of Business Rulebook	the Conduct of Business Rulebook issued by the MFSA in terms of article 16 of the MFSA Act;
Corporate Governance Code	the Code of Principles of Good Corporate Governance set out as Appendix 5.1 to Chapter 5 of the Capital Markets Rules;
CRD	Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as may be amended from time to time;
CRD VI	Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks;
CRR	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as may be amended from time to time;
CRR III	Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor;
CSD	the central registration system for dematerialised financial instruments in Malta operated by the MSE and authorised in terms of the Financial Markets Act;
CSD Register	the register of Bondholders held and maintained by the CSD on behalf of the Bank;
Cut-Off Date	close of business on 31 August 2026 (trading session of 27 August 2026);
Data Protection Act	the Data Protection Act, Chapter 586 of the laws of Malta, as may be amended from time to time;

Delegated Regulation	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as may be amended from time to time;
Directors	the directors of the Bank;
Early Redemption Date	unless redeemed on an Early Redemption (Exceptional Event) Date, any date between the fifth anniversary of the Issue Date and the Maturity Date, subject to the Relevant Regulatory Authority granting its prior permission and subject to the Bank giving the Bondholders at least 30 days' prior notice in terms of section 5.11.2;
Early Redemption (Exceptional Event) Date	such date on which the Bonds may be redeemed prior to the fifth anniversary of the Issue Date in terms of section 5.11.3;
ECB	the European Central Bank;
Eligible Counterparty	a client recognised as an 'eligible counterparty' in terms of article 30 of MiFID II, which includes investment firms, credit institutions, insurance companies, UCITS and their management companies, pension funds and their management companies and other financial institutions authorised or regulated under EU law or under the national law of an EU member state, national governments and their corresponding offices including public bodies that deal with public debt at national level, central banks and supranational organisations;
Eligible Liabilities Instruments	eligible liabilities instruments for the purposes of the Ranking Legislation and/or the Recovery & Resolution Regulations;
EU	means the European Union established pursuant to the Treaty on European Union, as amended from time to time, and "**Member State**" shall be construed accordingly;
EUR Bonds	the 2017 EUR Bonds and the 2019 EUR Bonds collectively;
euro or **€**	the lawful currency of the Eurozone, being the region comprised of Member States of the European Union that have and continue to adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and by the Treaty of Amsterdam;
Exchange Offer	the invitation by the Bank to Existing Bondholders of EUR Bonds to surrender all or part of their respective EUR Bonds in consideration for the subscription for Bonds, subject to the terms and conditions set out in this Prospectus;
Exchange Offer Application Form	the form to be completed by an Existing Bondholder of EUR Bonds wishing to participate in the Exchange Offer, setting out, *inter alia*, such Existing Bondholder's relevant holding in EUR Bonds, and through which the Existing Bondholder of EUR Bonds may elect to participate in the Exchange Offer, or if desired, exchange all of his EUR Bonds and apply for additional new Bonds, a specimen of which is contained in annex B to this Prospectus;
Exchange Offer Period	the period during which Existing Bondholders of EUR Bonds may apply for Bonds pursuant to the Exchange Offer;
Excluded Territories and each an **Excluded Territory**	United States of America, Canada, Japan, the Republic of South Africa and any jurisdiction where the extension into or availability of the issue of Bonds would breach any applicable law;
Existing Bondholder(s)	a holder of Existing Bonds as at the Cut-Off Date, as evidenced by the register of Existing Bonds held and maintained by the CSD on behalf of the Bank;
Existing Bondholder Application Forms	the form to be completed by Existing Bondholders wishing to participate in the Existing Bondholder Offers, being either: (i) an Exchange Offer Application Form, in the case of an Existing Bondholder of EUR Bonds participating in the Exchange Offer; or (ii) a Priority Offer Application Form, in the case of an Existing Bondholder of GBP Bonds participating in the Priority Offer;

Existing Bondholder Offers	collectively, the Exchange Offer and the Priority Offer;
Existing Bondholder Offer Period	the period comprising the Exchange Offer Period and the Priority Period (which shall run in parallel) as further set out in section 6.1 (*Expected Timetable of the Bond Issue*);
Existing Bonds	collectively, the 2017 EUR Bonds, the 2017 GBP Bonds, the 2019 EUR Bonds, and the 2019 GBP Bonds;
Financial Markets Act	the Financial Markets Act, Chapter 345 of the laws of Malta, as may be amended from time to time;
GBP Bonds	the 2017 GBP Bonds and the 2019 GBP Bonds collectively;
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC, as may be amended from time to time;
Group	Banka CREDITAS and the Supervised Group;
Interest Commencement Date	the Issue Date;
Interest Payment Date	13 October of each year (including 13 October 2027, being the first interest payment date) and the Maturity Date (or in the event of early redemption, 13 October of each year between and including each of the years 2027 and the relevant Early Redemption Date or Early Redemption (Exceptional Event) Date as applicable) provided that if any such date is not a Business Day, the next following day that is a Business Day;
Intermediaries' Offer	the offer of Bonds, pursuant to the Prospectus, by the Bank to the Authorised Intermediaries, for their own account and/or for the purposes of allocating the Bonds to their own clients; provided that such offer shall be conditional on there being a balance of Bonds not subscribed for by Existing Bondholders pursuant to the Existing Bondholder Application Forms;
Investment Services Act	the Investment Services Act, Chapter 370 of the laws of Malta, as may be amended from time to time;
Issue Date	13 October 2026;
Issue Price	€100 (in respect of each Bond);
JST	the joint supervisory team which supervises the Supervised Group, composed of members of the ECB, the MFSA, and the National Bank of Belgium;
Market Abuse Regulation	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as may be amended from time to time;
Maturity Date	13 October 2036;
MeDirect Belgium	MeDirect Bank SA, a public limited liability company registered under the laws of Belgium with company registration number 0553.851.093, with its registered office at Sint-Lazaruslaan 4/10 Boulevard Saint-Lazare, B-1210 Brussels;
MeDirect Tech	MeDirect Tech Limited, a private limited liability company registered under the laws of Malta with company registration number C 53429, with its registered office at The Centre, Tigne' Point, Sliema TPO 0001, Malta;
Memorandum and Articles of Association	the memorandum and articles of association of the Bank in force at the time of publication of this Prospectus, and the terms "**Memorandum of Association**" and "**Articles of Association**" shall be construed accordingly;

MFSA	Malta Financial Services Authority as established in terms of article 3 of the MFSA Act;
MFSA Act	the Malta Financial Services Authority Act, Chapter 330 of the laws of Malta, as may be amended from time to time;
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directives 2002/92/EC and 2011/61/EU (recast), as may be amended from time to time;
MREL	minimum requirement for own funds and eligible liabilities;
MSE	Malta Stock Exchange plc, as originally constituted by the Financial Markets Act, a public limited liability company registered under the laws of Malta with company registration number C 42525, with its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
MSE Bye-Laws	the bye-laws of and issued by the MSE, as may be amended from time to time;
Nominal Value	€100 (in respect of each Bond);
O-SII	other systemically important institution, being an institution that is identified as such by the relevant competent authority designated in terms of article 131(1) of the CRD and that, due to its systemic importance, is more likely to create risks to financial stability;
Official List	the list prepared and published by the MSE as its official list in accordance with the MSE Bye-Laws;
Ordinary Unsecured Claims	any ordinary unsecured claims of creditors of the Bank from time to time outstanding;
Overseas Existing Bondholders	those Existing Bondholders with a registered address in, or who are citizens and/or residents of, countries other than Malta;
Parent or **MDB Group**	MDB Group Limited, a private limited liability company registered under the laws of Malta with company registration number C 34111, with its registered office at The Centre, Tigne' Point, Sliema TPO 0001, Malta, as parent company of the Bank;
PMLA	Prevention of Money Laundering Act, Chapter 373 of the laws of Malta and all regulations issued thereunder, as may be amended from time to time;
pound sterling or **£**	the lawful currency of the United Kingdom;
Preferred Claims	claims in respect of obligations of the Bank which enjoy a lawful cause of preference pursuant to the Ranking Legislation to rank above Ordinary Unsecured Claims;
Priority Offer	the invitation by the Bank to Existing Bondholders of GBP Bonds to apply for Bonds (for a subscription in cash) during the Existing Bondholders Offer Period, subject to the terms and conditions as set out in this Prospectus;
Priority Offer Application Form	the form to be completed by an Existing Bondholder of GBP Bonds wishing to participate in the Priority Offer, setting out, *inter alia*, such Existing Bondholder's relevant holding of GBP Bonds and the indicative euro value attributable to such holding of GBP Bonds for the purposes of the Priority Offer, which figure is provided for guidance purposes only, and through which such Existing Bondholder may apply for Bonds pursuant to the Priority Offer and, if desired, apply for additional new Bonds, a specimen of which is contained in annex C to this Prospectus;
Priority Offer Period	the period during which Existing Bondholders of GBP Bonds may apply for Bonds pursuant to the Priority Offer;

Professional Client	a 'professional client' as defined under MiFID II, which means a client falls within at least one of the following categories: (i) entities required to be authorised or regulated to operate in the financial markets including banks, investment firms, other authorised or regulated financial institutions, insurance companies, collective investment schemes and management companies of such schemes, pension funds and management companies of such funds, commodity and commodity derivatives dealers, local firms and other institutional investors; (ii) a large undertaking meeting two of the following size requirements on a company basis: (a) balance sheet total of €20 million or more, (b) net turnover of €40 million or more, and (c) own funds of €2 million or more; (iii) a national or regional government, a public body that manage public debt, a central bank, an international or supranational institution such as the World Bank, the IMF, the ECB, the EIB and other similar international organisations; (iv) another institutional investor whose main activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions; or (v) a client that has requested to be treated as a Professional Client (and has been appropriately categorised as such by an Authorised Intermediary) in terms of the procedure, and that meets the relevant criteria, set out in terms of Part II of Annex II of MiFID II;
Prospectus	this document in its entirety together with any Supplement/s, if any;
Prospectus Regulation	Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as may be amended from time to time;
Ranking Legislation	Regulation 108 of the Recovery & Resolution Regulations, as may be amended from time to time and/or any other law or provision of Maltese law which may supplement and/or replace such provision from time to time;
Recovery & Resolution Regulations	the Recovery and Resolution Regulations (Subsidiary Legislation 330.09 of the laws of Malta), as may be amended from time to time;
Registrar	the MSE;
Relevant Competent Authority	the ECB, the MFSA and/or such other or successor authority exercising supervisory authority with respect to prudential matters in relation to the Bank and/or the Supervised Group;
Relevant Resolution Authority	the Resolution Committee, the SRB established by the SRMR and/or any other authority entitled to exercise resolution powers in respect of the Bank, as may be applicable;
Resolution Authority	the resolution authority appointed in terms of article 7B(1) of the MFSA Act as the authority for the purposes of article 3 of the BRRD;
Resolution Committee	the resolution committee appointed by the Resolution Authority in terms of article 7B(2) of the MFSA Act, and whose composition, powers and functions are governed by the provisions set out in the First Schedule to the MFSA Act and in terms of any regulations made thereunder;
Retail Client	a client that is not a Professional Client or an Eligible Counterparty;
Secondary Unsecured Claims	any unsecured claims resulting from debt instruments of the Bank from time to time outstanding that meet the relevant requirements of the Ranking Legislation so as to rank below Ordinary Unsecured Claims and in priority to Senior Subordinated Claims;
Senior Subordinated Claims	the claims in respect of any subordinated debt of the Bank from time to time outstanding that is not in respect of Additional Tier 1 Instruments of the Bank or Tier 2 Instruments of the Bank;

Single Supervisory Mechanism	the system of financial supervision composed by the ECB and national competent authorities of Member States (whose currency is the euro or which have established close cooperation with the ECB) as described in Article 6 of Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions;
Sponsor & Manager	Rizzo, Farrugia & Co (Stockbrokers) Ltd, a private limited liability company registered under the laws of Malta bearing company registration number C 13102 and having its registered address at Airways House, Fourth Floor, High Street, Sliema SLM 1551, Malta, and which is licensed by the MFSA to carry out investment services in terms of the Investment Services Act, acting as the Bank's sponsor and manager (as applicable) in respect of the Bond Issue. Reference to the "**Sponsor**" or "**Manager**" shall be construed accordingly, as the context requires;
SRB	the single resolution board established pursuant to the SRMR as the central resolution authority, having resolution powers over the institutions that are subject to the SRMR;
SRMR	Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (SRM) and a Single Resolution Fund and amending Regulation (EU) No.1093/2010, as may be amended from time to time;
Supervised Group	the Bank and any other entities which fall within the prudential scope of consolidation or supervised group perimeter, and which is subject to consolidated supervision by the Relevant Regulatory Authority, including, as at the date of this Prospectus, the Parent, the Bank, MeDirect Belgium, Bastion 2021-1 NHG B.V., Bastion 2022-1 NHG B.V., and Bastion 2025-1 NHG B.V.;
Supplement	any supplement to this Prospectus that may be issued from time to time by the Bank;
Terms and Conditions	the terms and conditions applicable to the Bonds as set out in section 5 of this Prospectus;
Tier 1 Capital	consists of the sum of CET 1 Capital and Additional Tier 1 Capital in terms of article 25 of the CRR;
Tier 2 Capital	the term used in the CRD and in the CRR to denote capital of the Bank maintained in terms of article 71 of the CRR and consisting of Tier 2 items in terms of article 62 of the CRR, or, if such term is no longer used, any equivalent or successor term, whether in the same law or regulations or in any other law or regulation applicable to the Supervised Group and/or the Bank from time to time;
Tier 2 Claims	claims in respect of any Tier 2 Instruments of the Bank from time to time outstanding;
Tier 2 Instruments	Tier 2 instruments for the purposes of the Ranking Legislation and/or the Recovery & Resolution Regulations;
UK or **United Kingdom**	the United Kingdom of Great Britain and Northern Ireland; and
US	the United States of America, its territories or possessions or the District of Columbia.

Any reference in the Prospectus to "Malta" is to the "Republic of Malta".

Unless it is otherwise required by the context:

a) words in this Prospectus importing the singular shall include the plural and *vice versa*;

b) words in this Prospectus importing the masculine gender shall include the feminine gender and *vice versa*;

c) the word "may" in this Prospectus shall be construed as permissive and the word "shall" in this Prospectus shall be construed as imperative; and

d) the word "person" shall refer to both natural and legal persons.

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

SUMMARY

This Summary is issued in accordance with the provisions of the Prospectus Regulation. Capitalised terms used but not otherwise defined in this Summary shall have the meanings assigned to them in the '*Definitions*' section of the Prospectus.

INTRODUCTION AND WARNINGS

Prospective investors are hereby warned that:

- this summary should be read as an introduction to the Prospectus;
- any decision to invest in the Bonds should be based on consideration of the Prospectus as a whole by the prospective investor;
- a prospective investor may lose all or part of the capital invested in subscribing for Bonds;
- where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under Maltese law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated;
- civil liability attaches only to those persons who have tabled the summary including any translation thereof and who applied for its notification, but only if the summary, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent or does not provide key information in order to aid investors when considering whether to invest in the Bonds; and
- this summary (and the entire Prospectus) relates to a product that is not simple and may be difficult to understand.

Identity and Contact Details of the Issuer:

Legal & Commercial Name:	MeDirect Bank (Malta) plc
Company Registration Number:	C 34125
Registered Office Address:	The Centre, Tigne' Point, Sliema TPO 0001, Malta
Legal Entity Identifier (LEI):	529900SYUCFQHI3JZQ05
Telephone Number:	+356 2557 4400
E-mail Address:	investor.relations@medirect.com.mt
Website:	https://www.medirect.com.mt/

This Prospectus has been approved by the MFSA, which is the competent authority in Malta for the purposes of the Prospectus Regulation, on 31 August 2026. The MFSA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Bank or of the quality of the Bonds.

Identity and Contact Details of the MFSA:

Address:	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta.
Telephone Number:	+356 2144 1155
Website:	https://www.mfsa.mt/

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

Identity of the issuer

The issuer of the Bonds is MeDirect Bank (Malta) plc, a public limited liability company registered in Malta in terms of the Companies Act and licensed by the MFSA as a credit institution in terms of the Banking Act, having LEI number 529900SYUCFQHI3JZQ05.

Principal Activities of the issuer

The Bank, a licensed credit institution, provides banking, investment and lending services to personal and business clients in Malta and owns MeDirect Belgium, a licensed Belgian credit institution. MeDirect Belgium operates as a fully digital challenger bank.

Major Shareholders

As at the date of this Prospectus, MDB Group Limited (C 34111) holds all of the issued Ordinary “A” shares of the Bank, save for one non-voting Ordinary “B” share held by FJV Management Limited (C 42279). To the extent known by the Bank, the Bank’s ultimate beneficial owner is Ms Barbora Hubáčková who holds a 60% indirect and beneficial interest in the Bank via her holding in MDB Group Limited through Banka CREDITAS and CREDITAS B.V. (Dutch Registration number 76639371), respectively. Banka CREDITAS owns 100% of the shares of MDB Group Limited, whereas CREDITAS B.V owns 100% of Banka CREDITAS.

Directors of the issuer

As at the date of this Prospectus, the Board is composed of the following 8 Directors who are responsible for the overall direction, management and strategy of the Bank: Mr Bart Bronselaer, Dr Stephen k/a Steve Agius, Ms Izabela Banas, Mr Josef Holub, Mr Martin Kubíček, Mr Jean-Claude Maher, Ms Dina Quraishi and Mr John Zarb. Ms Maria Micallef and Mr Chris Portelli have also been appointed directors of the Bank, which appointments remain subject to regulatory approval.

What is the key financial information regarding the issuer?

The below tables show the main consolidated financial information of the Bank:

Assets - € millions	**31-Dec-25**	**31-Dec-24**	**30-Jun-26**
Balances with central banks and cash	273	207	475
Investments and Derivatives	1,627	1,534	1,747
Loans and advances to banks	329	316	261
Loans and advances to customers	3,023	2,927	3,249
Other	86	88	87
Total assets	**5,338**	**5,072**	**5,819**

Liabilities & Equity - € millions	**31-Dec-25**	**31-Dec-24**	**30-Jun-26**
Amounts owed to banks	210	180	164
Amounts owed to customers	4,139	3,880	4,385
Debt securities in issue and subordinated liabilities	670	709	923
Other	38	55	41
Total liabilities	**5,057**	**4,824**	**5,513**
Equity	**281**	**248**	**306**

Income Statement - € millions	**31-Dec-25**	**31-Dec-24**	**30-Jun-26**	**30-Jun-25**
Interest income	155.5	194.7	76.8	80.2
Interest expense	(91.4)	(117.6)	(41.6)	(47.6)
Net fee and commission income	7.9	7.2	3.8	4.6
Other income	1.7	(0.1)	1.7	1.8
Trading profits	2.4	1.6	0.4	0.6
Operating income	**76.1**	**85.8**	**41.2**	**39.6**
Operating expenses	(79.4)	(71.5)	(38.6)	(41.2)
Net impairment charge	(2.8)	(19.3)	(0.3)	(2.3)
(Loss) / profit before tax	**(6.1)**	**(5.0)**	**2.4**	**(3.9)**
(Loss) / profit after tax	**(7.6)**	**(5.9)**	**2.0**	**(4.2)**

What are the key risks that are specific to the issuer?

The most material risk factors specific to the Bank are the following:

Business Model and Strategy Risk

The Supervised Group defines business model and strategic risk as the risk to both its current and projected financial position resulting from changes in the macroeconomic environment, the competitive landscape, or regulatory changes, from adverse business decisions, or from a lack of resources, processes or technology to deliver products and services. To ensure integration with business strategy, the Supervised Group's risk taxonomy is embedded in all strategic decision-making and financial forecasting activities. Strategic risk is directly linked to the Supervised Group's business model and how effectively it translates its budget and forecasts into actual performance. The occurrence of strategic risk may adversely impact the Supervised Group's profitability, capital generation and long-term sustainability, by impairing its ability to achieve its strategic objectives and respond effectively to changes in the operating environment. In severe cases, strategic risk events may result in a loss of market share, reduced stakeholder confidence, and reduced profitability or slower balance sheet growth at the Bank and MeDirect Belgium, the Supervised Group's principal operating entities.

Credit Risk

Credit risk is the risk of loss for the Supervised Group's business or of an adverse change in the financial position, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors in the form of default or other significant credit loss event (e.g. downgrade or default). The willingness to take on credit risk is focussed on risk-adjusted returns, in that the interest margin received after operational costs will outweigh any credit losses incurred, is a key part of the Supervised Group's business model. The Supervised Group's exposure to credit risk may adversely affect the Supervised Group's margins and profit, potentially materially affecting its business, financial condition, results of operations and prospects.

Operational Risk

Operational risk is one of the key risks specific to the Supervised Group, reflecting its digital operating model and reliance on technology-enabled banking, investment and payment services. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events, and includes risks arising from governance and control failures, outsourcing and third-party arrangements, legal and regulatory compliance, business continuity, information technology and cyber resilience. Given that substantially all products and services are delivered through digital channels, the Supervised Group is dependent on the continuous availability, integrity and security of its information and communication technology (ICT) infrastructure, data, communication networks and technology platforms. The Supervised Group is exposed to risks arising from cyber-attacks, ransomware, phishing, distributed denial-of-service (DDoS) attacks, data breaches, system outages, software vulnerabilities, third-party service provider failures, human error and other information security incidents.

Any significant operational disruption including technology failure, information asset compromise, prolonged system unavailability or weakness in operational resilience could impair customer service and result in financial losses, regulatory sanctions, reputational damage and reduced stakeholder confidence, any of which could materially affect the Supervised Group's business, financial condition, results of operations and prospects.

Resolution Risk

The Bank and the Supervised Group are subject to the EU recovery and resolution framework applicable to credit institutions, including the BRRD, the SRMR and related legislation. Under this framework, the relevant resolution authorities (including the SRB and the Resolution Committee appointed under the MFSA Act, as may be applicable) have extensive powers to intervene in the operations of a credit institution experiencing financial difficulties. Where the conditions for resolution are deemed to be met, the powers that can be exercised include the sale of business, the transfer of assets and liabilities, the establishment of a bridge institution, the application of bail-in measures and the write down and/or conversion of capital instruments and eligible liabilities. Resolution authorities are also empowered to take control of a credit institution under resolution and exercise the rights and powers conferred upon its shareholders and directors. In the event that the Bank and/or the Supervised Group is not considered to be a liquidation entity and such powers are exercised by resolution authorities, this could materially adversely affect the business, financial condition and prospects of the Bank and/or the Supervised Group. In addition, the write-down or conversion of the Bonds could result in Bondholders losing some or all of their investment.

KEY INFORMATION ON THE BONDS

What are the main features of the Bonds?

Securities:	Unsecured subordinated bonds
Amount:	Up to €30,000,000
Nominal Value:	€100 per Bond
Denomination:	Euro (€)
ISIN:	MT0000551326
Issue Price:	At Nominal Value (€100 per Bond)
Minimum subscription:	The minimum subscription amount is €10,000 per Applicant and in multiples of €100 thereafter
Interest:	5.85% per annum
Issue Date:	13 October 2026
Interest Payment Dates:	13 October of each year (including 13 October 2027, being the first Interest Payment Date) and the Maturity Date (or in the event of early redemption, 13 October of each year between and including each of the years 2027 and the relevant Early Redemption Date or Early Redemption (Exceptional Event) Date (as applicable) provided that if any such date is not a Business Day, the next following day that is a Business Day
Redemption:	On an Early Redemption (Exceptional Event) Date; an Early Redemption Date; and/or the Maturity Date
Maturity Date:	13 October 2036
Rights:	There are no special rights attached to the Bonds other than the right of the Bondholders to payment of capital and interest, subject to and in accordance with the ranking specified in the Prospectus
Status:	The Bonds are Tier 2 Bonds and constitute direct, unsecured and subordinated obligations of the Bank, which will at all times rank *pari passu* without any preference among themselves. In a dissolution and winding up of the Bank, the claims of Bondholders in respect of the Bonds will be subordinated to the claims of all depositors and other unsubordinated secured and unsecured creditors of the Bank and will not be repaid until all other unsubordinated debt outstanding at the time has been settled in full. In the event of a resolution of the Bank or in any other instances under applicable law, the Bonds are subject to conversion or write down by the Relevant Resolution Authority as provided by law
Transferability:	The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole, that is, in multiples of €100

Where will be Bonds be traded?

Application has been made to the MSE for the Bonds to be listed and traded on the Official List.

What are the key risks that are specific to the Bonds?

The most material risk factors specific to the Bonds are the following:

Subordinated Status

The Bonds shall constitute the general, direct, subordinated, unsecured and unconditional obligations of the Bank to the Bondholders. The Bonds shall at all times rank *pari passu* and with all other Tier 2 Claims and shall have the ranking set out in the Ranking Legislation so that, in the event of the dissolution and winding up of the Bank, the claims of Bondholders will be subordinated to Preferred Claims, all Ordinary Unsecured Claims, Secondary Unsecured Claims and Senior Subordinated Claims. If any Bonds cease to qualify as Tier 2 Instruments, the Bonds will, in the event of the dissolution and winding up of the Bank, rank *pari passu* with all Senior Subordinated Claims, subject to the Ranking Legislation.

If, on a dissolution and winding-up of the Bank or the Bank is subjected to the Relevant Resolution Authority's powers of write-down or conversion, the assets of the Bank are insufficient to enable the Bank to repay the claims of more senior-ranking creditors in full, the Bondholders will lose their entire investment in the Bonds. If there are sufficient assets to enable the Bank to pay the claims of senior-ranking creditors in full but insufficient assets to enable it to pay claims in respect of the Bonds and all other claims that rank *pari passu* with the Bonds, Bondholders may lose some (or all) of their investment in the Bonds. All claims resulting from own funds items of the Bank are to rank lower than any claim that does not result from an own funds item. Therefore, this may affect the amount of recovery (if any) a Bondholder may receive in a winding-up or resolution of the Bank and the effective ranking of the Bonds. If the Bank is wound-up or resolved, the claims of Bondholders which qualify as Tier 2 Capital of the Bank may be subordinated to claims of holders of such disqualified instruments (if any), and accordingly any recovery of amounts in respect of such qualifying Bonds may be adversely affected.

Bail-In Risk

In the event that the Relevant Resolution Authority considers that all of the conditions for resolution are met (including that the Bank is determined to be failing or likely to fail), the Relevant Resolution Authority may exercise the bail-in tool in respect of the Bank, pursuant to which the Bonds may be subject to a write-down and/or conversion into equity. Such a development would have a direct adverse impact on the Bondholders, including a cancellation and complete loss in value of the Bonds.

Limited Remedies of Bondholders

The Bonds are the obligations of the Bank only and do not establish any liability or other obligation of any other person mentioned in this Prospectus. Payment of principal and accrued but unpaid interest on the Bonds may be accelerated only in the event of: (i) an extraordinary resolution passed at a general meeting for the dissolution, winding-up or liquidation of the Bank or; (ii) an order by the applicable judicial authorities is made for the dissolution, liquidation, winding-up of the Bank or; (iii) an order for liquidation is made by the competent authority in respect of the Bank under the Controlled Companies (Procedure for Liquidation) Act (Chapter 383 of the laws of Malta) or; (iv) the dissolution, winding-up or liquidation of the Bank carried out in terms of any other law that may come into force from time to time. The right of acceleration will not be triggered solely by any resolution action or any moratorium. The only remedy available to the Bondholders in the case of non-performance or other breach by the Bank of any of its obligations or the Terms and Conditions shall be the ability to institute court proceedings for the dissolution and winding-up of the Bank in those instances set out by law. The Bondholders are not entitled to any other remedy in such cases and are not able to call an event of default or otherwise bring any enforcement action in respect of the Bank or its assets. The remedies under the Bonds are, therefore, more limited than those typically available to the Bank's unsubordinated creditors.

Complex Financial Instrument and Suitability Risk

The Bonds are complex financial instruments and may not be suitable for all prospective investors. Subject to the overarching requirement that Applicants who are Retail Clients may only subscribe for Bonds after passing a Suitability Test, all prospective investors are urged to consult an investment advisor licensed under the Investment Services Act as to the suitability or otherwise of an investment in the Bonds before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor: (a) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds and understand the merits and risks of investing in the Bonds and the information contained, or incorporated by reference, in the Prospectus or any Supplement; (b) has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the prospective investor's currency; (c) understands thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant indices and financial markets; and (d) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Bonds are Redeemable at the Option of the Bank

Subject to certain conditions (including obtaining the prior permission of the Relevant Competent Authority), the Bonds may be redeemed at the option of the Bank on an Early Redemption (Exceptional Event) Date; and/or on an Early Redemption Date, in each case on at least 30 days' prior written notice to the relevant Bondholders. Bondholders will be entitled to, in respect of the Bonds being redeemed, repayment of all principal and interest accrued only until the date of redemption. The return on investment received in case of redemption of the Bonds prior to maturity would be different to that received if those Bonds were redeemed on maturity. In addition, the Bondholder may not be able to re-invest the proceeds from the early redemption at yields that would have been received on the Bonds had they not been redeemed early. This optional redemption feature may also have a negative impact on the market value of the Bonds. During a period when the Bank may opt to redeem the Bonds, it is unlikely that the market value will rise above the price at which the Bond will be redeemed.

KEY INFORMATION ON THE OFFER OF BONDS TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in the Bonds?

Expected Timetable of the Bond Issue:

Application Forms mailed to Existing Bondholders	3 September 2026
Existing Bondholder Offer Period	08:30 CEST on 7 September 2026 to 10:00 CEST on 25 September 2026
Intermediaries' Offer (if applicable)*	08:30 CEST on 28 September 2026 to 15:00 CEST on 30 September 2026
Announcement of basis of acceptance through a company announcement	6 October 2026
Refund of unallocated funds, if any	13 October 2026
Expected date of admission of the Bonds to the Official List	13 October 2026
Commencement of interest on the Bonds (and for the Existing Bondholders of EUR Bonds electing to subscribe for Bonds through the Exchange Offer and the Existing Bondholders of 2017 GBP Bonds, the relinquishment of the interest on their relevant Existing Bonds)	13 October 2026
Expected commencement date of trading in the Bonds	14 October 2026

* *In the event that the total value of Applications received from Existing Bondholders exceeds €30,000,000, the Intermediaries' Offer will not take place.*

Plan of Distribution

The Bonds will be distributed as follows:

(i) by means of the Existing Bondholder Offers pursuant to which (a) Existing Bondholders of EUR Bonds may elect to exchange all or part of their respective EUR Bonds for new Bonds to be issued pursuant to this Prospectus, and (b) Existing Bondholders of GBP Bonds may apply for Bonds for subscription in cash, in each case subject to a minimum subscription of €10,000 per Existing Bondholder;

(ii) in respect of any balance of new Bonds not subscribed to pursuant to (i) above, to Existing Bondholders applying for additional Bonds (for subscription in cash) pursuant to the Existing Bondholder Application Forms; and

(iii) in respect of any balance of new Bonds not subscribed by Existing Bondholders pursuant to (i) and (ii) above, by Authorised Intermediaries participating in the Intermediaries' Offer, subject to a minimum subscription amount of €10,000 per underlying applicant.

Any subscription for Bonds by any prospective investor (including Existing Bondholders) that are Retail Clients shall be subject to a Suitability Test to be performed.

General Terms and Conditions

Applications by prospective investors, including Existing Bondholders participating in the Existing Bondholder Offers, shall be subject to a minimum subscription amount of €10,000 in Nominal Value of Bonds per Application and in multiples of €100 thereafter. It is the responsibility of each Authorised Intermediary to ensure that applications for subscription under nominee are subject to the minimum of €10,000 per underlying Applicant upon initial subscription.

Application has been made to the MSE for the Bonds to be listed and traded on the Official List. Dealings in the Bonds shall not commence prior to the Bonds being admitted to the Official List. The issue and allotment of the Bonds is conditional upon the Bonds being admitted to the Official List by no later than 13 October 2026.

Estimated Expenses of the Bond Issue

The Bond Issue will involve expenses, including professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, selling commission and other miscellaneous costs incurred in connection with this Bond Issue. Such expenses are estimated to amount to approximately €650,000 and will be borne by the Bank. There is no particular order of priority with respect to such expenses.

Why is this Prospectus being produced?

The net proceeds from the Bonds to be issued under this Prospectus will be used to further strengthen the Tier 2 Capital requirements of the Bank in terms of the CRR, and will be used by the Bank to meet part of its general financing requirements.

The Bond Issue is not underwritten.

Conflicts of interest pertaining to the Bond Issue

The Bank (acting in its capacity as an MFSA licensed investment firm), has been designated as an Authorised Intermediary and Applicants will therefore be able to subscribe for the Bonds through the Bank. Accordingly, the Bank has a financial interest in the issue of the Bonds. The Bank has an interest in the issue of Bonds by virtue of the fact that the net proceeds from the Bond issue will constitute an integral part of the Bank's capital plan (to further strengthen its Tier 2 Capital requirements in terms of the CRR) and will be used by the Bank to meet part of its general financing requirements.

As an Authorised Intermediary, the Bank will offer only "execution-only" services without investment advice ("**Non-Advisory Sales**") in respect of the issue of the Bonds. The Bond Issue will be available to its own clients subject to Non-Advisory Sales. In this instance, it is noted that the Bank has a Conflicts of Interest Policy which addresses how it identifies and seeks to mitigate conflicts of interest in the provision of services to clients (including Applicants). A summary of this policy is available here: https://www.medirect.com.mt/wp-content/uploads/Group-Conflict-of-Interest-Policy.pdf. Specifically in relation to the provision of Non-Advisory Sales in respect of the issue of the Bonds, the Bank, as issuer thereof, has implemented a number of organisational and administrative measures aimed at mitigating the risks as set out in this Prospectus.

Save for the above and the possible subscription for Bonds by Authorised Intermediaries (which include the Sponsor and the Bank) and any fees payable to the various professional advisors and service providers in connection with the issue of Bonds, the Bank is not aware of any person involved in the Bond Issue that has a material interest in the issue of Bonds pursuant to the Prospectus.

1. RISK FACTORS

1.1 General

AN INVESTMENT IN THE BONDS ISSUED BY THE BANK INVOLVES CERTAIN RISKS INCLUDING, BUT NOT LIMITED TO, THOSE RISKS DESCRIBED IN THIS SECTION. THE FOLLOWING RISKS ARE THOSE IDENTIFIED BY THE BANK AS AT THE DATE OF THIS PROSPECTUS. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, TOGETHER WITH THEIR FINANCIAL AND OTHER PROFESSIONAL ADVISORS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS AND ANY OTHER DOCUMENT RELATING TO THE BONDS, BEFORE DECIDING TO MAKE AN INVESTMENT IN THE BANK AND THE BONDS.

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER TWO MAIN CATEGORIES, ACCORDING TO WHETHER THE RISKS UNDER REVIEW RELATE TO THE: (I) THE BANK; AND (II) THE BONDS. THE RISK FACTOR APPEARING FIRST UNDER EACH SUB-CATEGORY CONSTITUTES THAT RISK FACTOR THAT THE BOARD HAS ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS PROSPECTUS. IN MAKING THEIR ASSESSMENT OF MATERIALITY, THE BOARD HAS EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE BANK, IF THE RISK FACTOR WERE TO MATERIALISE.

SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES THAT MAY OR MAY NOT OCCUR AND THE BANK IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING. SHOULD ANY OF THE RISKS DESCRIBED BELOW MATERIALISE, THEY COULD HAVE A SERIOUS ADVERSE EFFECT ON THE BANK'S FINANCIAL RESULTS AND TRADING PROSPECTS AND THE ABILITY OF THE BANK TO FULFIL ITS OBLIGATIONS UNDER THE BONDS.

THE RISKS AND UNCERTAINTIES DISCUSSED BELOW MAY NOT BE THE ONLY ONES THAT THE BANK FACES. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE THE DIRECTORS OF THE BANK MAY NOT CURRENTLY BE AWARE OF, COULD WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE BANK. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION, IF NECESSARY, WITH THE ASSISTANCE OF THEIR OWN FINANCIAL ADVISORS, OF ALL RISK FACTORS, AND SHOULD CAREFULLY READ, CONSIDER AND UNDERSTAND THE PROSPECTUS AS A WHOLE BEFORE INVESTING IN THE BONDS. IN ADDITION, PROSPECTIVE INVESTORS OUGHT TO BE AWARE THAT RISK MAY BE AMPLIFIED DUE TO A COMBINATION OF RISK FACTORS.

1.2 Forward-Looking Statements

This document includes statements that are or may be deemed to be "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including but not limited to the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements are based purely on the intentions, beliefs or current expectations of the Bank and/or the Directors. There can be no assurance that the results and events contemplated by the forward-looking statements contained in this Prospectus will occur.

Forward-looking statements, by their very nature, involve substantial uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, many of which are beyond the Bank's control. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Bank's actual results of operations and financial condition may, as a result of many different factors, differ materially from the impression created by the forward-looking statements contained in this document. In addition, even if the results of operations and financial condition of the Bank are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods.

Subject to its legal and regulatory obligations (including those under the Capital Markets Rules), the Bank and its Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

1.3 Risks Relating to the Bank and/or the Supervised Group

1.3.1 Business Model and Strategy Risk

The Supervised Group defines business model and strategic risk as the risk to both its current and projected financial position resulting from changes in the macroeconomic environment, the competitive landscape, or regulatory changes, from adverse business decisions, or from a lack of resources, processes or technology to deliver products and services. To ensure integration with business strategy, the Supervised Group's risk taxonomy is embedded in all strategic decision-making and financial forecasting activities. The Supervised Group's strategic risk profile is assessed on a forward-looking basis through its strategic planning, ICAAP (Internal Capital Adequacy Assessment Process), ILAAP (Internal Liquidity Adequacy Assessment Process) and stress testing processes, which consider multi-year financial projections, macroeconomic scenarios and potential changes in the competitive and regulatory environment. These assessments evaluate the resilience of the Supervised Group's business model under adverse but plausible scenarios and support the identification of emerging strategic risks and mitigating actions. This forward-looking approach is designed to ensure that the strategic risk assessment reflects not only the current risk profile but also the potential evolution of risks over the strategic planning horizon.

Strategic risk is directly linked to the Supervised Group's business model and how effectively it translates its budget and forecasts into actual performance. Another consideration is the challenging environment in which banks operate today and the various factors each bank must contend with, such as pressure on margins, intensifying competition for market position and customers, and higher costs, including reorganisation costs. MeDirect Belgium represents the majority of the Supervised Group's consolidated balance sheet and profitability, and developments affecting its business, market position or financial performance may accordingly have a corresponding effect on the Supervised Group as a whole.

The Supervised Group's strategic objectives include, among other matters, the business initiatives and the intended reorganisation as further described in section 4.4 (*Business Strategy*). The occurrence of strategic risk may adversely impact the Supervised Group's profitability, capital generation and long-term sustainability by impairing its ability to achieve its strategic objectives and respond effectively to changes in the operating environment. In severe cases, strategic risk events may result in a loss of market share, reduced stakeholder confidence, and reduced profitability or slower balance sheet growth at the Bank and MeDirect Belgium, as well as the Supervised Group's principal operating entities.

1.3.2 Credit Risk

Credit risk is the risk of loss for the Supervised Group's business or of an adverse change in the financial position, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors in the form of default or other significant credit loss event (e.g. downgrade or default). The willingness to take on credit risk is focussed on risk-adjusted returns, in that the interest margin received after operational costs will outweigh any credit losses incurred, is a key part of the Supervised Group's business model.

The Supervised Group's credit risk emanates from its mortgage lending activities, its investment in the securitisation portfolio (including AAA collateralised loan obligation and AAA ABS investments), from its treasury activities and its corporate lending activities (including the consumer finance receivables portfolio). Credit risk arises primarily in the form of deterioration in credit quality leading to an obligor defaulting on debt instruments held in the Supervised Group's investments portfolio or on loans extended to corporate counterparties or mortgage borrowers in the Netherlands, Belgium, and in Malta. The largest credit portfolio held by the Supervised Group relates to Dutch NHG (Nationale Hypotheek Garantie) portfolio, whereby all mortgages to new clients benefit from a guarantee from a private non-profit fund (i.e., Stichting Waarborgfonds Eigen Woningen (WEW)), and indirectly from a guarantee by the Dutch government. Provided that the borrower complies to the criteria, the Dutch NHG guarantee protects borrowers from any residual debt after a foreclosure following a default on their mortgage loan. For lenders (and the Bank owning the receivables) the NHG guarantee covers up to 90% of the remaining loss (including accrued unpaid interest and disposal costs) after a foreclosure.

The Supervised Group's exposure to credit risk may adversely affect the Supervised Group's margins and profit, potentially materially affecting its business, financial condition, results of operations and prospects.

1.3.3 Regulatory Risk

The Supervised Group operates in a highly regulated environment and is therefore subject to a complex regulatory framework and extensive prudential supervision by the ECB and other regulatory, supervisory and resolution authorities. In particular, the Bank and/or Supervised Group must comply with an evolving framework of laws, regulations, rules, technical standards, supervisory expectations and guidance relating to, among other matters, capital adequacy, liquidity requirements, recovery and resolution planning, large exposures, governance, risk management, conduct of business, operational resilience, data protection, anti-money laundering and counter-terrorist financing, market abuse and ongoing disclosure and reporting obligations.

The framework applicable to credit institutions authorised and operating within the European Union continues to evolve. The legislation to which the Bank and/or Supervised Group is subject includes (but is not limited to) the Banking Act (partially transposing the CRD) and the relevant subsidiary legislation issued thereunder, Central Bank of Malta Directive No. 1 on the Provision and Use of Payment Services (partially transposing Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, as amended), the Prospectus Regulation, the Market Abuse Regulation, the CRR and the Recovery & Resolution Regulations (transposing the BRRD). Such laws, rules and regulations are constantly being revised or supplemented with the introduction of new rules and regulations, or the amendment or overhaul of existing ones. Recent legislative reforms which may impact the Bank and/or Supervised Group include the implementation of final Basel III standards through the CRR III (which became applicable on 1 January 2025) and the CRD VI (which required national transposition in Member States by 10 January 2026). Such changes may impact the Supervised Group's organisational arrangements, sustainability and governance standards, risk management practices and capital requirements, whilst necessitating changes to the calculation of risk weighted assets and additional compliance costs. This is, however, subject to the Maltese transposition and implementation of the CRD VI (which is yet to be transposed into Maltese law as at the date of this Prospectus), further assessment and supervisory guidance to this effect.

In addition to the regulatory requirements emanating from EU law and regulation which are applicable to the Supervised Group (directly or by way of transposition thereof into the relevant legislative framework), the Bank is subject, in its capacity as a credit institution licensed in Malta and as a provider of banking, investment and related retail products and services in and from Malta, to requirements that are specific to Maltese law and regulation and to the supervisory expectations or requirements of the MFSA. These include, among others, the relevant Banking Rules issued under the Banking Act, the Conduct of Business Rulebook, the Capital Markets Rules, the Financial Markets Act, the Investment Services Act and other Maltese laws, regulations, directives, guidelines, circulars, licence conditions and supervisory communications as may be issued under Maltese law or by the MFSA or other local regulatory bodies from time to time. Compliance with these requirements may require the Bank to adapt its product governance, customer disclosures, suitability and appropriateness processes, complaints handling, marketing communications, outsourcing arrangements, governance controls and regulatory reporting. Any failure to comply with, or any adverse interpretation or application by the MFSA, of such requirements could result in increased supervisory scrutiny, remediation actions, administrative penalties or measures, restrictions on business activities, additional costs, delays in product or transaction approvals and reputational damage, any of which could have a material adverse effect on the Bank's and the Supervised Group's business, financial condition, results of operations and prospects.

In addition, the Belgian subsidiary is subject to requirements that are specific to Belgium and to the supervisory expectations of the National Bank of Belgium and the Financial Services and Markets Authority, as may be applicable to credit institutions authorised in Belgium. This includes compliance with Belgian banking, conduct, consumer protection, governance, operational resilience, outsourcing, anti-money laundering and regulatory reporting requirements, as supplemented by applicable circulars, supervisory communications and licence conditions. The Belgian subsidiary may also be required to implement measures arising from local supervisory reviews, inspections, findings or regulatory developments. Any failure to comply with such Belgium-specific requirements, or any adverse supervisory assessment or intervention by the National Bank of Belgium or the Financial Services and Markets Authority, could result in increased supervisory scrutiny, remediation actions, administrative sanctions, restrictions on business activities, additional compliance costs and reputational damage, which could adversely affect the Belgian subsidiary and, in turn, the Supervised Group.

Furthermore, the Supervised Group may be subject to changes in the application and/or interpretation of the laws, rules and regulations which apply to it, whether this is as a result of judicial interpretation or due to decisions, orders, directives and/or guidelines issued by regulatory authorities. Such changes, either individually and/or in aggregate, may lead to further unexpected, enhanced requirements in relation to the Supervised Group's capital, leverage, liquidity and funding ratios or alter the way such ratios are calculated.

Regulatory expectations may also evolve more rapidly than formal legislation. The Supervised Group, as a banking group subject to the direct prudential supervision of the ECB, may be required to implement measures that are not expressly prescribed by law but which arise from institution-specific supervisory guidance, remedial actions, thematic reviews, stress testing exercises, supervisory findings or evolving market practices. Any adverse supervisory determination could increase the Bank's and/or the Supervised Group's regulatory obligations and funding costs and could have a material adverse effect on its business, financial condition and results of operations.

1.3.4 Risks associated with Capital Adequacy

Capital adequacy is a measure of the financial strength of the Supervised Group. This is usually expressed as a ratio of its CET 1 Capital, Tier 1 Capital, or its total capital (Tier 1 + Tier 2 Capital) to its total risk weighted assets. In addition, capital strength is assessed through the leverage ratio, which measures Tier 1 Capital as a percentage of the Supervised Group's total exposure measure and provides a non-risk-weighted backstop to the risk-based capital ratios.

Capital adequacy requirements have increased in importance as regulators seek to ensure that banks and financial institutions have sufficient capital to keep them out of difficulty, even during periods of heightened cyclicality. The Supervised Group has always sought to maintain an appropriate level and quality of capital to support its prudential requirements with sufficient contingency to withstand severe but plausible stress scenarios.

The Supervised Group is subject to prudential requirements under the ECB Supervisory Review and Evaluation Process and are bound by the terms of the capital requirements outlined within the Supervisory Review and Evaluation Process decision. The Supervised Group's management has a significant level of control and oversight over its capital ratios. It uses the capital base as its main constraint for curbing asset growth in reaction to market changes whilst aiming to strike an appropriate balance between risk and sustainable returns.

The Bank's and/or the Supervised Group's capital requirements could be affected by further prudential regulatory developments.

1.3.5 Liquidity And Funding Risk

Liquidity risk is the risk of the Supervised Group being unable to generate sufficient funding resources to meet financial obligations as they fall due in business as usual and stress scenarios. Funding risk arises from higher funding costs or lack of availability of funds.

The Supervised Group funds its portfolios principally through deposits and partly through the international wholesale financial markets. The availability of retail and commercial deposits, the Supervised Group's primary source of liquidity, may be impacted by increased competition from other deposit-takers or factors that constrain the volume of liquidity in the market. Extreme market disruptions may result in a prolonged restriction on the Supervised Group's access to liquidity which in turn could affect the Bank's ability to meet its minimum regulatory liquidity requirements or to fulfil its financial and lending commitments.

The Supervised Group actively manages stable and efficient access to funding and liquidity to support its ongoing operations. The Supervised Group's appetite for liquidity and funding risk is embedded through the Liquidity Risk Management Framework and Policy, which stipulates the funding restrictions of the Supervised Group, and the approval thresholds for usage of certain funding instruments. This notwithstanding, a deterioration of the Supervised Group's ability to raise funding at attractive levels may adversely affect the Supervised Group's margins and profit, potentially materially affecting its business, financial condition, results of operations and prospects.

1.3.6 Resolution Risk

The Bank and the Supervised Group are subject to the recovery and resolution regime established under the Recovery & Resolution Regulations (which transpose the BRRD), the SRMR and related implementing legislation, pursuant to which the Relevant Resolution Authority is granted powers and resolution tools to intervene in the operations of credit institutions and banking groups experiencing financial difficulties. Under the SRM, the SRB is the central resolution authority within the banking union and cooperates closely with resolution authorities of participating Member States which are empowered to exercise resolution powers over banks within their own remit. Pursuant to article 7B of the MFSA Act, the Board of Governors of the MFSA is the resolution authority in Malta and its powers are assigned to the Resolution Committee.

In the event of a bank failure, the resolution authorities consider whether conditions for resolution are met and the application of resolution tools is feasible and credible in the circumstances, or whether the bank can enter normal insolvency proceedings. The resolution tools which are at the disposal of resolution authorities in terms of this framework include: (i) the sale of business tool; (ii) the bridge institution tool; (iii) the asset separation tool; and (iv) the bail-in tool (as referred to in section 1.4.2 (*Resolution and Bail-In Risk*). The Relevant Resolution Authority also has the power to write-down and/or convert capital instruments and eligible liabilities pursuant to the Recovery & Resolution Regulations immediately before or together with the application of a resolution tool.

Furthermore, the Relevant Resolution Authority is empowered to take control of a credit institution under resolution and exercise the rights and powers which are conferred upon shareholders, other owners and the board of directors of the credit institution under resolution.

In the event that the Bank and/or the Supervised Group is not considered to be a liquidation entity for the purposes of the Recovery & Resolution Regulations and/or the Relevant Resolution Authority takes any such resolution action and exercises such powers, the business and prospects of the Bank and/or the Supervised Group may be materially affected. Furthermore, in the event that the Relevant Resolution Authority exercises its power to write-down the Bonds, this may result in the reduction (including to zero) of the nominal value of the Bonds.

1.3.7 Market Risk

The Supervised Group may face a number of market risks in the normal course of its business. Market risk refers to the adverse impact of movements in market prices or rates such as interest rates, credit spreads and foreign exchange rates. Market risk stems from all the positions included in the Supervised Group's investment portfolios, foreign exchange positions, interest income and the market value of assets and liabilities.

In the event that market risks were to occur, the Supervised Group may experience significant losses in the value of its investment portfolio, declines in the level of interest income, and negative movements in the fair values of its assets and liabilities which would consequently have a significant adverse impact on the operations and financial performance of the Supervised Group. The following are the principal identifiable market risks:

i. Interest Rate Risk in the Banking Book

Interest rate risk arises from the mismatch between interest rate sensitive assets and liabilities. As is typical of banking institutions, the Supervised Group is exposed to mismatch in repricing characteristics of its liabilities and assets. Fluctuations in interest rates are influenced by factors outside the Supervised Group's control (such as the fiscal and monetary policies of governments and central banks and political and economic conditions in the countries in which it operates) and can affect the interest rate margin realised between investments and lending income and deposit and other borrowing costs, thereby affecting the Supervised Group's economic value of equity (EVE) and/or income.

The Supervised Group's exposure to interest rate risk arises predominantly from repricing risk emanating from MeDirect Belgium's asset/liability structure. Specifically, this exposure stems from a repricing mismatch between the long-term structure of the mortgage loans portfolio and the term structure of customer deposits and other funding sources.

The Supervised Group's exposure to interest rate risk is measured considering automatic and behavioural options within the banking book, particularly prepayment options and customers' right to withdraw sight deposits. Consequently, the measurement of interest rate risk reflects expected customer behaviour rather than purely contractual cash flows.

Interest rate risk is managed through a hedging strategy aimed at minimising behavioural net interest rate gaps using a combination of natural hedges and market instruments. The primary hedging instruments are plain vanilla interest rate swaps designated within a hedge accounting framework.

ii. Foreign Exchange Risk

Foreign exchange risk arises on monetary assets and liabilities not denominated in the base currency of a company. In the case of the Supervised Group this arises mainly in relation to the pound sterling and US dollar. The financial position of the Supervised Group may be impacted by foreign exchange risk, which is the risk of adverse movements in the monetary value of assets and liabilities, and additionally of income and expenses, from the fluctuation of exchange rates in relation to the euro, as the Supervised Group's base currency.

iii. Credit Spread Risk in the Banking Book

Credit Spread Risk in the Banking Book refers to the risk driven by changes in the market perception about the price of credit risk, liquidity premium and potentially other components of credit-risk instruments inducing fluctuations in the price of credit risk, liquidity premium and other potential components, which is not explained by interest rate risk in the banking book or by expected credit/(jump-to-) default risk.

The Supervised Group quantifies the credit spread through the difference between the security's market yield at the valuation date and the risk-free rate, and includes metrics related to the Marked-to-Market value sensitivity to spreads. This risk is mitigated by the high credit quality of these investments, the relatively short-spread duration of those securities and the hold-to-maturity oriented strategy of the Supervised Group.

1.3.8 Operational Risk

Operational risks can arise from all business lines and from all activities which are carried out by the Supervised Group, can result in each of the jurisdictions in which the Supervised Group operates and originate from a wide range of factors, including fraud (internal and external), errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with increasingly complex regulatory requirements and conduct of business rules, systems and equipment failures, inadequate outsourcing arrangements, natural disasters or the failure of external systems (for example, those of the Bank's counterparties or vendors).

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. This includes, among other matters, risks arising from failures in governance, controls, execution and processing, outsourcing or third-party arrangements, legal and regulatory compliance, business continuity, information technology and cyber resilience.

The Supervised Group is therefore exposed to operational risk across its business activities, including in relation to online banking and investment services provided to customers, the systems supporting such services, e-brokerage systems, websites and other wealth management tools and functions. Furthermore, the Supervised Group is exposed to outsourcing arrangements supporting a range of business and operational activities, including ICT services, technology platforms, payment and settlement infrastructure, regulatory reporting support, data processing and other third-party services that facilitate the delivery of banking and investment services. The principal risks arising from such arrangements include service disruption, cyber and information security incidents, third-party and concentration risk, inadequate performance or resilience of service providers, regulatory and contractual non-compliance, and failures affecting critical or important functions. In addition, the Supervised Group is also exposed to outsourcing risk through its outsourced mortgage origination and servicing activities in Belgium and the Netherlands. Third-party providers perform initial risk scoring and documentation checks, and based on this review, application for Belgian residential mortgages and Dutch buy-to-let mortgages are escalated to MeDirect Belgium for further assessment. Operational servicing of arrears is outsourced to approved third-party service providers, with a strong in-house oversight.

The materialisation of operational risk events may result in financial loss, customer detriment, regulatory or legal consequences, business disruption and/or reputational damage, any of which could have a material adverse effect on the Supervised Group's business, financial condition, results of operations and prospects. Operational risk specific to the Supervised Group is described below.

1.3.8.1 Risks relating to Information Technology and Information security

The Supervised Group depends on its information and communication technology (ICT) systems to process a large number of transactions on an accurate and timely basis, and to store and process substantially all of the Supervised Group's business and operating data. The proper functioning of the Supervised Group's financial control, risk management, credit analysis and reporting, accounting, customer service and other information technology systems, as well as the communication networks between its branches, subsidiaries and main data processing centres, are critical to the Supervised Group's business and ability to compete effectively. The Supervised Group's business activities would be materially disrupted if there were a partial or complete failure of any of these information technology systems or communications networks.

Such failures can be caused by a variety of factors, many of which are wholly or partially outside the Supervised Group's control, including natural disasters, extended power outages, cyberattacks such as malware attacks, ransomware, phishing, hacking or any other form of cyber-attack, data theft or other unauthorised use of data, errors, bugs, malfunctions, inadequate maintenance service levels, malicious interference, or other disruptions to the Supervised Group's information technology systems, operating systems and technological arrangements. The proper functioning of the Supervised Group's information technology systems also depends on accurate and reliable data and other system input, which are subject to human errors.

The Bank has implemented online banking and wealth management functionality and a mobile banking application, including the provision of online financial advice in Belgium. Amongst other functionalities, the mobile banking application enables the Bank's clients to make payments and view balances. These functionalities might not operate as intended and might suffer unexpected downtime.

ICT and information security risk refers to the risk of financial loss, operational disruption, regulatory non-compliance, reputational damage, or adverse business impact resulting from the failure, inadequacy, compromise, or misuse of ICT systems, infrastructure, data, and related processes. This includes risks arising from the deliberate or accidental loss, alteration, corruption, unauthorised disclosure, destruction, disruption, or misuse of information assets and information systems.

The risk encompasses breaches of confidentiality, integrity, and availability of systems and data; weaknesses in cybersecurity controls; inadequate ICT governance; technology obsolescence; ineffective change management; third-party and outsourcing dependencies; concentration risk arising from critical service providers; and the inability to adapt technology solutions within acceptable timeframes and costs to support evolving business, regulatory, and technological requirements. It also includes risks arising from inadequate or failed internal processes, human error, external events, cyber-attacks, fraud, system outages, data breaches, and deficiencies in physical or environmental security.

The cyber threat landscape continues to evolve rapidly and includes increasingly sophisticated attack techniques such as ransomware, distributed denial-of-service (DDoS) attacks, credential theft, account takeover fraud, supply chain compromises, insider threats, exploitation of software vulnerabilities, cloud security incidents, and advanced social engineering campaigns. The Bank also faces emerging threats from artificial intelligence (AI)-augmented attacks, including highly convincing phishing and business email compromise (BEC) campaigns, deepfake-enabled impersonation of customers or employees, automated reconnaissance activities, and the large-scale generation of malicious code and attack content designed to evade traditional detection mechanisms.

As a digitally enabled banking institution, the Bank relies extensively on secure, resilient, and available ICT services to deliver products and services, process transactions, safeguard customer information and assets, maintain customer trust, and comply with regulatory obligations. Consequently, any significant compromise of information assets, cyber-attack, prolonged system unavailability, technology failure, data loss, service disruption, or weakness in operational resilience could have a material adverse effect on the Bank's operations, customer experience, financial performance, reputation, regulatory standing, and long-term business prospects. In severe cases, such events may result in financial losses, legal liabilities, regulatory sanctions, customer attrition, and diminished confidence in the Bank's ability to provide secure and reliable digital banking services.

The Bank is also subject to comprehensive regulation regarding the use of personal customer data. Compliance with the GDPR creates significant regulatory obligations for the Bank and it will continue to have an ongoing impact on the acceptance, processing and storage of personal sensitive data. The possible damage, loss, unauthorised processing or disclosure of personal data could have a negative impact on the activity of the Bank, in reputational terms too, and could lead to the imposition of fines and consequent financial loss. Evolving data protection regimes, including rules on cross-border transfers and sector-specific privacy, may increase regulatory and operational risk. Diverging standards or stricter interpretations could require changes to data governance or third-party contracts, with non-compliance potentially leading to enforcement action.

1.3.8.2 Reputational Risk

The Supervised Group is exposed to reputational risk, being the risk of loss resulting from damage to its reputation, which may lead to reduced revenues, increased funding or operating costs, regulatory sanctions, or loss of stakeholder confidence.

Reputational risk may arise as a consequence of a range of underlying risk drivers inherent to the Supervised Group's activities, including but not limited to:

(i) **Conduct and customer treatment risks**, including inappropriate sales practices, conflicts of interest, or failure to meet customer expectations;

(ii) **Financial crime risks**, including actual or alleged involvement in money laundering, terrorist financing, sanctions breaches, fraud or other illicit activities;

(iii) **Operational and technology risks**, including system failures, cyber incidents, service disruptions, or failures in outsourced service providers;

(iv) **Data protection and privacy risks**, including unauthorised disclosure, misuse or loss of customer data;

(v) **Legal and regulatory risks**, including litigation, enforcement actions, or non-compliance with applicable laws and regulations;

(vi) **Governance and ethical risks**, including failures in internal controls, decision-making processes, or senior management conduct;

(vii) **Environmental, social and governance (ESG) risks**, including negative perceptions arising from the Supervised Group's activities or those of its counterparties; and

(viii) **External factors**, including adverse media coverage, market-wide events, or association with issues affecting the wider financial services industry.

Negative publicity or perceptions—whether justified or not—may spread rapidly through traditional and social media channels and may have a disproportionate impact on the Supervised Group's reputation.

Any material deterioration in the Supervised Group's reputation could result in a loss of existing or potential customers, reduced access to funding or market counterparties, increased regulatory scrutiny, and a decline in investor confidence, which could materially adversely affect the Supervised Group's business, financial condition, results of operations and prospects.

1.3.9 Financial Crime Compliance Risk

Financial crime risks refer to the potential exposure the Supervised Group faces from illegal activities that may impact the integrity and stability of its financial operations. These risks include:

(i) **Money laundering:** Money laundering is the process of concealing the proceeds of criminal activity in order to make them appear legitimate. Criminals may use the Supervised Group as a conduit for money laundering which increases the risk of incurring financial losses and regulatory fines. The complexity and cross-border nature of financial transactions may further increase the Supervised Group's vulnerability to being misused for the placement, layering, or integration of illicit funds;

(ii) **Terrorist Financing:** This refers to the provision of financial support or resources to individuals or groups engaged in terrorism. The Supervised Group may be targeted by terrorists seeking to launder funds or move money to finance their operations;

(iii) **Sanctions violations:** The Supervised Group must comply with international sanctions regimes designed to restrict trade and financial transactions with designated individuals and countries. Failure to comply with sanctions regulations may result in significant penalties and reputational damage for the Supervised Group. Sanctions regimes are dynamic and may change rapidly, creating risk of inadvertent breaches due to insufficiently updated controls or screening systems;

(iv) **Bribery and corruption:** The Supervised Group may be exposed to risks related to bribery and corruption, such as when employees or customers engage in bribery or other corrupt practices to secure financial gain; and

(v) **Fraud:** Fraudulent activities, such as identity theft, credit card fraud, internal (corporate) fraud may cause significant financial harm to the Supervised Group and its customers. The Supervised Group may face reputational damage and legal liability if it fails to implement adequate fraud prevention measures. The increasing digitalisation of banking services also elevates the risk of cyber-enabled fraud, phishing schemes, and synthetic identity attacks.

Financial crime compliance risks may materialise from: (i) lack of adherence to the appropriate regulatory environment and/or market practice; (ii) failures arising from the lack of implementation of updated directives, rules, regulations, and/or internal operating procedures; and/or (iii) inadequate internal controls to monitor level of adherence to the required standards inclusive of illegal practices such as bribery and corruption. Additional risks may arise from reliance on third-party vendors, agents or correspondent banks whose financial crime controls may not meet applicable legal or regulatory standards. Rapidly changing legal frameworks, jurisdictional differences, and increased enforcement activity across multiple countries may also complicate compliance efforts. The materialisation of such risks could have a detrimental impact on customers and expose the Supervised Group to financial sanctions and regulatory reprimands, reputational risks and regulatory censure.

In addition, the effective identification and verification of customers, beneficial owners and related parties, together with ongoing customer due diligence, are core controls within the Supervised Group's financial crime compliance framework. Weaknesses in know-your-customer processes may increase the risk that the Supervised Group is used to facilitate money laundering, terrorist financing, sanctions evasion, fraud or other illicit activity, with potential regulatory, financial and reputational consequences.

1.3.10 Geopolitical Risk

The Supervised Group's financial performance may be adversely affected by geopolitical tensions and related macroeconomic disruptions. Although the Supervised Group has limited direct exposure to manufacturing, logistics, or highly import-dependent sectors, its balance sheet is predominantly concentrated in retail lending and real-estate-linked portfolios. As a result, the Supervised Group's principal vulnerabilities under geopolitical stress arise from household income compression, tourism-related shocks—which are particularly relevant in the Maltese economy—and real-estate-driven corporate distress.

Geopolitical events that lead to higher energy prices, reduced travel flows, or broader economic uncertainty may weaken the repayment capacity of households and corporates, resulting in higher credit losses and increased pressure on the Supervised Group's asset quality. The Supervised Group incorporates the potential impact of such developments into its IFRS 9 expected credit loss (ECL) framework through probability-weighted macroeconomic scenarios. However, the speed and severity of geopolitical shocks may exceed the assumptions embedded in these models, leading to unanticipated increases in ECL.

Given the Supervised Group's portfolio composition, supply-chain disruptions are assessed as non-incremental to the severity of the Bank's financial performance, operations and/or capital position. Nonetheless, prolonged geopolitical instability and the uncertainty surrounding tariffs being imposed by the US on the EU and other trading partners may indirectly affect the Supervised Group through its impact on household consumption, tourism activity, and real-estate market dynamics. The Supervised Group continuously monitors geopolitical developments and updates its risk assessments; however, there can be no assurance that future geopolitical events will not materially affect the Supervised Group's operations, financial performance, or capital position.

1.3.11 Risks connected to the performance of the Property Market

The Supervised Group is exposed to risks associated with the property market as a result of, among other things: (i) loans granted to customers that are secured by immovable property; and (ii) loans provided to companies operating in the real estate sector, where cash flows are generated primarily from the rental or sale of properties (commercial real estate).

With respect to (i) above, adverse market conditions and/or, more generally, a prolonged economic or financial downturn could result in a decline in the value of the underlying collateral. Such conditions may also give rise to significant challenges in realising that collateral through enforcement proceedings, potentially leading to longer recovery periods and lower recovery values.

With regard to (ii) above, a downturn in the real estate market could lead to lower property values and reduced demand for commercial real estate. Consequently, the Supervised Group's customers operating in the property sector may experience lower transaction volumes and margins, higher financing costs, and increased refinancing challenges. These factors could adversely affect the profitability of their businesses and, in turn, their ability to repay loans granted by the Supervised Group.

The significant increase in real estate prices in recent years has been driven by both demand- and supply-side factors. Although the Supervised Group maintains a diversified lending portfolio, it remains materially exposed to the real estate sector and is therefore particularly sensitive to a potential correction in property prices.

1.3.12 Sustainability Risk

Sustainability risk (or ESG risk) refers to an environmental, social or governance ("**ESG**") event or condition that, if it had to occur, could cause an actual or a potential material negative impact on the value of the investment, which would directly or indirectly affect the financial value of the bank. If it materialises, these risks may have a negative consequence on the Supervised Group and its customers and counterparties, impacting its financial and market position. Sustainability factors encompass 'environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters', as defined in the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector as may be amended from time to time.

In accordance with the ECB Guide on climate and environment risks, sustainability risks driven by climate change and environmental degradation can be categorised into two types: physical risks and transition risks. Physical risks relate to the physical impacts of climate change, which could result in a higher incidence of adverse weather events and/or a higher occurrence of disease (including pandemics) which, on a macro level, could have a significant impact on the global economy, but could also, on a micro level, affect the value of the Supervised Group's investments.

Sustainability risks may be either stand-alone risks or embedded within other risks, as they may contribute significantly to other financial and non-financial risks categories. The Supervised Group considers sustainability risks to be embedded within the traditional risk themes. This ensures ESG risks are integrated into the Bank's overall Risk Appetite Framework and the Risk Management function conducts an annual Climate and Environmental Risk Materiality Risk Assessment to analyse the main climate and environmental-related risks that may affect the bank's strategy, business model, asset portfolios, funding sources, treasury and hedging, wealth management services and business operating centres.

This notwithstanding, failure to cater for ESG risk could in turn expose the Supervised Group to: (i) physical risk relating to the physical impacts of climate change; (ii) compliance risks relating to adherence to the relevant sustainability rules and disclosures, and (iii) a higher incidence of ESG-related litigation (including any form of contentious or litigious action which may be instituted against the Supervised Group, including the Bank, for failure to properly address and integrate ESG risk into its business strategy). This could in turn have a material adverse effect on the business, results and financial position of the Supervised Group.

1.4 Risks Relating to the Bonds

1.4.1 Subordinated Status

The Bonds (their redemption and the payment of interest thereon) shall constitute the general, direct, subordinated, unsecured and unconditional obligations of the Bank to the Bondholders, and shall at all times rank *pari passu*, without any priority or preference among themselves and with all other Tier 2 Claims. In the event of the dissolution and winding up of the Bank, the claims of Bondholders in respect of the payment of capital and interest on the Bonds will have the ranking set out in the Ranking Legislation and will be subordinated to Preferred Claims, all Ordinary Unsecured Claims and Secondary Unsecured Claims. In addition, as per the said Ranking Legislation, to the extent that the Bonds qualify as Tier 2 Instruments, they shall also rank below Senior Subordinated Claims. All claims of Bondholders will therefore not be repaid until Preferred Claims, Ordinary Unsecured Claims, Secondary Unsecured Claims and Senior Subordinated Claims have been settled in full.

If, on a dissolution and winding-up of the Bank, the assets of the Bank are insufficient to enable the Bank to repay the claims of more senior-ranking creditors in full, the Bondholders will lose their entire investment in the Bonds. If there are sufficient assets to enable the Bank to pay the claims of senior-ranking creditors in full but insufficient assets to enable it to pay claims in respect of the Bonds and all other claims that rank *pari passu* with the Bonds, Bondholders may lose some (or all) of their investment in the Bonds.

The same principles would apply to the Bank where the Relevant Resolution Authority applies the appropriate powers of write-down or conversion of capital (the Bonds) (whether in the event of a resolution of the Bank or in any other instances under applicable law), in which case it must respect the *pari passu* treatment of creditors and the statutory ranking of claims under the applicable insolvency law.

Moreover, pursuant to the Recovery & Resolution Regulations, all claims resulting from own funds items of relevant institutions (such as the Bank) are to rank lower than any claim that does not result from an own funds item. Therefore, this may affect the amount of recovery (if any) a Bondholder may expect to receive in a winding-up or resolution of the Bank. It is expected that, in certain circumstances, this may have an impact on the effective ranking of own funds instruments, such as the Bonds. For example, if any own funds instruments issued by the Bank, including the Bonds, cease to be eligible to qualify as own funds instruments of the Bank, the ranking of such disqualified instruments is likely to be adjusted so that such disqualified instruments would rank ahead of any instruments which continue to qualify as own funds in (such as any Bonds, as the case may be). In such circumstances, if the Bank is wound-up or resolved, the claims of Bondholders which qualify as Tier 2 Capital of the Bank may be subordinated to claims of holders of such disqualified instruments (if any), and accordingly any recovery of amounts in respect of such qualifying Bonds in a winding-up or resolution of the Bank may be adversely affected.

The EU legislative framework governing the crisis management of banks and deposit insurance (the "**CMDI**") has recently been reviewed and includes a revision in the ranking of creditors in the event of dissolution or winding-up of credit institutions. This legislative package of reforms was published on 20 April 2026 in the Official Journal of the EU (the "**CMDI Reforms**") through the following EU legislative instruments: (i) Directive (EU) 2026/804 of the European Parliament and of the Council of 30 March 2026 amending Directive 2014/49/EU as regards the scope of deposit protection, the use of deposit guarantee schemes funds, cross-border cooperation, and transparency (the "**DGSD Amending Directive**"); (ii) Directive (EU) 2026/806 of the European Parliament and of the Council of 30 March 2026 amending the BRRD as regards early intervention measures, conditions for resolution and funding of resolution action and Directive 2014/24/EU as regards valuation services in resolution (the "**BRRD Amending Directive**"); and (iii) Regulation (EU) 2026/808 of the European Parliament and of the Council of 30 March 2026 amending the SRM Regulation as regards early intervention measures, conditions for resolution and funding of resolution action (the "**SRMR Amending Regulation**").

The CMDI Reforms entered into force on 10 May 2026. The provisions of the SRMR Amending Regulation will become directly applicable from 11 May 2028, with the exception of certain provisions are already applicable as of 11 June 2026. The DGSD Amending Directive and the BRRD Amending Directive will require transposition into the national laws of every EU Member State (including Malta). The transposition deadline for both directives is 11 May 2028, with the relevant measures which would be adopted and published as national laws of the EU Member States to be applied from 12 May 2028 (with the exception of measures adopted and published to transpose certain provisions of the DGSD Amending Directive which will become applicable on 11 May 2029).

Among other changes, the CMDI Reforms, through the BRRD Amending Directive, widens the category of preferred deposits, including through the incorporation of a new tier of preferred deposits. The BRRD Amending Directive incorporates revisions to article 108(1) of the BRRD and provides that, subject to certain limited exceptions, all deposits that currently are not privileged claims under the currently applicable article 108(1) of the BRRD (including certain deposits of large corporates and deposits of other banks) will rank senior to ordinary unsecured creditors but junior to covered deposits and other preferred deposits under the current article 108(1) of the BRRD.

Pending national transposition in Malta of the said revised article 108(1) of the BRRD, as set out in the BRRD Amending Directive, there remains a degree of uncertainty as to the specific impacts on the Ranking Legislation. However, it is expected that the said revised article 108(1) of the BRRD, as set out in the BRRD Amending Directive, would be transposed into the relevant Maltese national insolvency laws (which may or may not include changes to the Ranking Legislation) substantially in its current form, and, therefore, upon such transposition, deposits will be granted a three-tier preference in the following order: (i) covered deposits and claims of the Maltese depositor compensation scheme and the investor compensation scheme (the "**Schemes**"), which will rank highest in the depositor preference hierarchy;

(ii) that part of eligible deposits from natural persons, micro, small and medium-sized enterprises and public authorities which exceeds the coverage level, which will rank senior to deposits referred to in point (iii); and (iii) subject to certain limited exceptions, all other deposits not covered in points (i) and (ii) above, all of which will rank senior to claims of ordinary unsecured creditors.

Accordingly, subject to any divergences in Maltese laws transposing the provisions of the revised article 108(1) of the BRRD, as set out in the BRRD Amending Directive, the above amendments to the national insolvency hierarchy would result in creditors of Ordinary Unsecured Claims ranking junior to the claims of all depositors, including in respect of deposits of large corporates and deposits by other banks and other deposits that currently are not Preferred Claims, but excluding the following deposits: (i) own funds as defined in point (118) of article 4(1) of the CRR, (ii) deposits arising out of transactions in connection with which there has been a criminal conviction for money laundering or terrorist financing, (iii) deposits the holder of which has never been identified pursuant to article 20 of Regulation (EU) 2024/1624 of the European Parliament and of the Council of 31 May 2024 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, where those deposits have become unavailable, except in certain specific circumstances, (iv) debt securities issued by a credit institution and liabilities arising out of own acceptances and promissory notes and (v) deposits meeting the conditions referred to in article 45b(1a), points (a) to (d), of the BRRD, including deposits with a residual maturity of less than one year.

While the CMDI Reforms, in particular the BRRD Amending Directive's changes to article 108(1) of the BRRD introduce changes to the depositor preference in the event of insolvency, they do not directly affect the statutory ranking of Tier 2 Instruments and therefore of the Bonds. The changes brought about to article 108(1) of the BRRD will rather have an impact on creditors of institutions which have rank sufficiently senior to Tier 2 Instruments (and the Bonds in the case of the Bank) in the event of insolvency, however, the ultimate impact of the changes brought about by the CMDI Reforms, remains, at the date of this Prospectus, subject to future implementation and transposition thereof.

1.4.2 Resolution and Bail-In Risk

The Recovery & Resolution Regulations transpose the BRRD, which establishes a framework for the recovery and resolution of credit institutions, into national law. The BRRD provides for the exercise of various early intervention powers and the application of resolution tools by resolution authorities for credit institutions at risk of failure, as an alternative to liquidation proceedings, in the event that the resolution authority considers that all of the relevant conditions are met. Resolution occurs at the point where the applicable authority determines that a bank is failing or likely to fail, that there is no other private sector intervention or supervisory action, including early intervention measures or the write-down or conversion of relevant capital instruments, that would prevent the failure of the institution within a reasonable timeframe and that a resolution action is necessary in the public interest.

In the event that it is determined that the relevant resolution conditions are met in the context of a bank failure, the Relevant Resolution Authority is empowered to apply a number of resolution tools. Such resolution tools include: (i) the sale of business tool (enabling the resolution authority to affect a sale of the whole or part of the business); (ii) the bridge institution tool (providing for a temporary bridge institution to continue to provide essential services to clients of the institution under resolution); (iii) the asset separation tool (enabling the transfer of 'bad' assets to a separate asset management vehicle. This tool can only be used in conjunction with any other tool); and (iv) the bail-in tool (ensuring that most unsecured creditors bear losses and bail-in the institution under resolution).

If the bail-in tool is exercised by the Relevant Resolution Authority in respect of the Bank the Bonds may be subject to a write-down (a reduction, including to zero, of the principal amount of the claims arising under the Bonds) and/or a conversion of Bonds into equity. The Recovery & Resolution Regulations set out the order in which resolution tools, including the bail-in tool, are to be applied and require that the shareholders of the institution under resolution bear first losses and (ii) the creditors of the institution under resolution bear losses after the shareholders in accordance with the order of priority of their claims under normal insolvency proceedings, save as expressly provided otherwise in the Recovery & Resolution Regulations.

The Relevant Resolution Authority, as the case may be, has very wide powers as necessary to apply the above-mentioned resolution tools, including the power to take control of an institution under resolution and exercise all the rights and powers conferred upon the shareholders, other owners and the board of directors of the institution under resolution and the power to transfer shares or other instruments of ownership issued by an institution under resolution, amongst others.

The exercise of any resolution power or any suggestion of any such exercise could have a material adverse effect on the rights of Bondholders and the price or value of the Bonds, and could lead to Bondholders losing some or all of the value of their investment in the Bonds.

1.4.3 *Limited Remedies of Bondholders*

The Bonds are the obligations of the Bank only and do not establish any liability or other obligation of any other person mentioned in this Prospectus. Payment of principal and accrued but unpaid interest on the Bonds may be accelerated only in the event of (i) an extraordinary resolution passed at a general meeting for the dissolution, winding-up or liquidation of the Bank or (ii) an order by the applicable judicial authorities is made for the dissolution, liquidation, or winding-up of the Bank or (iii) an order for liquidation is made by the competent authority in respect of the Bank under the Controlled Companies (Procedure for Liquidation) Act (Chapter 383 of the laws of Malta) or (iv) the dissolution, winding-up or liquidation of the Bank carried out in terms of any other law that may come into force from time to time. The right of acceleration will not be triggered solely by any resolution carried out under the Recovery & Resolution Regulations or any moratorium provided for thereunder. Furthermore, there is no right of acceleration that arises merely as a result of non-payment of principal or interest on the Bonds or of the Bank's failure to perform any of its obligations under or in respect of the Bonds. The only remedy available to the Bondholders in the case of non-performance by the Bank of any of its obligations or any other breach by the Bank of the Terms and Conditions (including the non-payment of interest and principal) shall be the ability to institute court proceedings for the dissolution and winding-up of the Bank in those instances set out by law. The Bondholders are not entitled to any other remedy in such cases and are not able to call an event of default or otherwise bring any enforcement action in respect of the Bank or its assets. The remedies under the Bonds are, therefore, more limited than those typically available to the Bank's unsubordinated creditors.

1.4.4 *Waiver of Set-Off*

Bondholders waive any right of set-off in relation to the Bonds. Therefore, the Bondholders will not be entitled to set-off the Bank's obligations under the Bonds against obligations owed by them to the Bank.

1.4.5 *Complex Financial Instrument and Suitability Risk*

The Bonds are complex financial instruments and may not be suitable for all prospective investors. Subject to the overarching requirement that Applicants who are Retail Clients may only subscribe for Bonds after passing a Suitability Test (as described in section 6.4 (*Distribution to Retail Clients*) below), all prospective investors are urged to consult an investment advisor licensed under the Investment Services Act as to the suitability or otherwise of an investment in the Bonds before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor: (a) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds and understand the merits and risks of investing in the Bonds and the information contained, or incorporated by reference, in the Prospectus, or any Supplement; (b) has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the prospective investor's currency; (c) understands thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant indices and financial markets; and (d) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

1.4.6 *Bonds are Redeemable at the Option of the Bank*

Any or all of the Bonds may be redeemed at the option of the Bank (subject to obtaining the prior permission of the Relevant Competent Authority and provided that the Bank meets the conditions set out in article 78 of the CRR) on an Early Redemption (Exceptional Event) Date; and/or, on an Early Redemption Date, in each case on at least 30 calendar days' prior written notice to the relevant Bondholders. Bondholders will be entitled to, in respect of the Bonds being redeemed, repayment of the principal together with interest accrued until the date of redemption but once the Bonds are redeemed the relevant Bondholders will no longer be entitled to any interest or other rights in relation to those Bonds. If Bonds are redeemed prior to the Maturity Date a Bondholder would not receive the same return on its investment that it would have received if those Bonds were redeemed on the Maturity Date. In addition, the Bondholder may not be able to re-invest the proceeds from the early redemption at yields that would have been received on the Bonds had they not been redeemed early. This optional redemption feature may also have a negative impact on the market value of the Bonds. During a period when the Bank may opt to redeem the Bonds, it is unlikely that the market value will rise above the price at which the Bond will be redeemed.

1.4.7 *Interest Rate and Credit Spread Risk of the Bonds*

The Bonds may carry fixed or variable interest rates. Investment in the Bonds involves the risk that subsequent changes in market interest rates or credit spreads may adversely affect the market value of the Bonds. Investors should be aware that the way the yield is typically calculated by market participants, the price of fixed income securities tends to move in a way that is inversely proportional to changes in interest rates. Accordingly, when prevailing market interest rates are rising, the prices that market participants will generally be willing to pay for Bonds can be expected to decline. Conversely, if market interest rates are declining, secondary market prices for Bonds will tend to rise. Moreover, fixed rate debt securities with a longer period to maturity will tend to reflect a greater degree of secondary market price volatility relative to movements in market interest rates when compared to fixed rate debt securities with a shorter remaining life.

Changes in credit spreads may affect the market value of the Bonds independently of changes in interest rates. Accordingly, even during periods of stable or declining benchmark interest rates, the market value of the Bonds may decline if credit spreads widen. Investors who sell their Bonds prior to maturity may therefore receive less than their original investment as a result of adverse movements in credit spreads.

1.4.8 No Assurance of Active Secondary Market for the Bonds

The existence of an orderly and liquid market for the Bonds will depend on a number of factors, including the presence of willing buyers and sellers of the Bonds at any given time and over whom the Bank has no control. Moreover, certain regulatory requirements applicable to the sale of Bonds (and similar instruments) to Retail Clients could have an impact on the level of activity in the secondary market. Accordingly, it is impossible to guarantee a liquid or any secondary market for the Bonds after their admission to trading or that such a market, should it develop, will subsist. Illiquidity can have a severe adverse effect on the market value of the Bonds and the price quoted by Bondholders for Bonds already admitted to trading on the Official List may be at a significant discount to the original purchase price of those Bonds. There can be no assurance that Bondholders will be able to sell the Bonds at or above the price at which the Bank issued the Bonds or at all.

1.4.9 No Restriction on the Bank Incurring Additional Indebtedness

The Bonds do not restrict the Bank's ability to incur additional debt (including through the issuance of bonds or other debt securities) or securing that indebtedness in the future, which actions may negatively affect the Bank's financial position and its ability to make payments on the Bonds when due. Moreover, such indebtedness may have a prior ranking than the Bonds, in which case it could rank ahead of the Bonds in the event of a dissolution and winding up of the Bank. See also section 1.4.1 (*Subordinated Status*) above.

1.4.10 Suspension of Trading or Discontinuation of Listing

Even after the Bonds are admitted to trading on the Official List, the Bank is required to remain in compliance with certain requirements relating, *inter alia*, to the free transferability, clearance and settlement of the Bonds in order to remain a listed company in good standing. Moreover, the MFSA has the authority to suspend trading or listing of the Bonds if, among other things, it determines that such action is required for the protection of investors or of the integrity or reputation of the market. The MFSA may also discontinue the listing of the Bonds on the Official List. Any trading suspension or listing discontinuation described above could have a material adverse effect on the liquidity and value of the Bonds.

1.4.11 Changes to the Terms and Conditions

In the event that the Bank wishes to amend any of the Terms and Conditions, it shall call a meeting of Bondholders in accordance with the provisions of section 5.1 (*Meetings of the Bondholders*) below. These provisions permit defined majorities to bind all Bondholders (in certain cases also subject to notifying or obtaining the prior permission of the ECB in terms of the CRR or applicable law) including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

1.4.12 Currency risk

Bonds will be denominated in euro. If a Bondholder holds Bonds which are not denominated in the Bondholder's home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding.

Moreover, the Bank will pay principal and interest on the Bonds in euro. This presents certain risks relating to currency conversions if a Bondholder's financial activities are denominated principally in a currency or currency unit other than the euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the specified currency or revaluation of the Bondholder's currency). An appreciation in the value of the Bondholder's currency relative to the specified currency would decrease: (1) the Bondholder's currency equivalent yield on the Bonds; (2) the Bondholder's currency equivalent value of the principal payable on the Bonds; and (3) the Bondholder's currency equivalent market value of the Bonds. As a result, Bondholders may receive less interest or principal than expected, or no interest or principal.

1.4.13 Volatility Risk

The market for debt securities issued by the Bank (including the Bonds) is influenced by economic, political and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates. There can be no assurance that events in Malta or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Bonds or that economic and market conditions will not have any other adverse effect on the Bonds.

THE FOREGOING RISK FACTORS ARE NOT EXHAUSTIVE AND DO NOT PURPORT TO BE A COMPLETE LIST OF ALL OF THE RISKS AND CONSIDERATIONS INVOLVED IN INVESTING IN THE BONDS. IN PARTICULAR, THE BANK'S PERFORMANCE MAY BE AFFECTED BY OTHER CHANGES IN MARKET OR ECONOMIC CONDITIONS AS WELL AS LEGAL, REGULATORY AND TAX REQUIREMENTS APPLICABLE TO THE BANK AND/OR THE BONDS NOT MENTIONED ABOVE.

2. RESPONSIBILITY, AUTHORISATION, AND OTHER INFORMATION

2.1 Persons Responsible

All the Directors whose names appear under section 7.1 (*The Board of Directors*) are the persons responsible for all of the information contained in this Prospectus. To the best of the knowledge and belief of the Directors, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect its import, and the Directors have taken all reasonable care to ensure that this is the case and accept responsibility accordingly.

2.2 Authorisation Statement

This Prospectus has been approved by the MFSA as the competent authority in Malta for the purposes of the Prospectus Regulation. The MFSA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Bank or the quality of the Bonds (that are the subject of this Prospectus). Investors should make their own assessment as to the suitability of investing in the Bonds.

2.3 Third Party Information and statements by experts

This Prospectus does not contain any statement or report attributed to any person as an expert. The Bank confirms any other information sourced from third parties and contained and referred to in this Prospectus has been accurately reproduced in this Prospectus and that there are no facts of which the Bank is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

2.4 Interests of Natural and Legal Persons involved in the Bond Issue

The Bank (acting in its capacity as an MFSA licensed investment firm) has been designated as an Authorised Intermediary and Applicants will therefore be able to subscribe for the Bonds through the Bank. Accordingly, the Bank has a financial interest in the issue of the Bonds. The Bank has an interest in the issue of Bonds pursuant to this Prospectus by virtue of the fact that the net proceeds from the Bond issue will constitute an integral part of the Bank's capital plan (to further strengthen its Tier 2 Capital requirements in terms of the CRR) and will be used by the Bank to meet part of its general financing requirements.

As an Authorised Intermediary, the Bank will offer only, "execution-only" services without investment advice ("**Non-Advisory Sales**") in respect of the issue of the Bonds. In those circumstances the Bank will, under applicable rules, be required to (a) assess the Applicant's level of knowledge in and experience with investment instruments with similar characteristics as the Bonds, (b) assess the suitability of the Bonds for the Applicant, or (c) provide certain risk warnings. The Bond Issue will be available to its own clients subject to Non-Advisory Sales. In this instance, it is noted that the Bank has a Conflicts of Interest Policy which addresses how it identifies and seeks to mitigate conflicts of interest in the provision of services to clients (including Applicants).

A summary of this policy is available here: https://www.medirect.com.mt/wp-content/uploads/Group-Conflict-of-Interest-Policy.pdf.

Specifically in relation to the provision of Non-Advisory Sales in respect of the issue of the Bonds, the Bank, as issuer thereof, has implemented the following additional organisational and administrative measures aimed at mitigating the risks:

(i) remuneration: Bank personnel involved in the sale of the Bonds will not receive any variable remuneration (e.g. commission or performance bonuses) linked to such sales;

(ii) information barriers: the Bank's investment officers were not involved in the design and structure of the Bond Issue;

(iii) registration of conflict of interest: presentation of the conflict between the Bank, as issuer and distributor in the Conflicts of Interest Policy, and registration and management of this conflict in the Bank's conflict of interest register; and

(iv) enhanced procedures: where applicable, the Bank has implemented enhanced procedures in relation to the collection of information in order to assess an Applicant's knowledge and experience as well as to carry out a suitability assessment in relation to the Bonds and risks involved as well as in relation to the provision of information and risk warnings.

Save for the above and the possible subscription for Bonds by Authorised Intermediaries (which include the Sponsor and the Bank) and any fees payable to the various professional advisors and service providers in connection with the issue of Bonds, the Bank is not aware of any person involved in the Bond Issue that has a material interest in the issue of Bonds pursuant to this Prospectus.

2.5 Advisors

Sponsor & Manager	**Rizzo, Farrugia & Co (Stockbrokers) Ltd (C 13102)** Airways House, Fourth Floor, High Street, Sliema SLM 1551, Malta
Legal Counsel	**Ganado Advocates** 171, Old Bakery Street, Valletta VLT 1455, Malta
Registrar	**Malta Stock Exchange p.l.c. (C 42525)** Garrison Chapel Castille Place Valletta VLT 1063, Malta

The services of the Bank's legal counsel and other advisors in respect of this Prospectus are limited to the specific matters upon which they have been consulted. There may be other matters that would have a bearing on the Bank or an investment in the Bonds upon which the Bank's legal counsel and other advisors have not been consulted. The Bank's legal counsel and the other advisors do not undertake to monitor the compliance by the Bank with its obligations as described in this Prospectus, nor do they monitor the Bank's activities for compliance with applicable laws. Additionally, the Bank's legal counsel and other advisors have relied and continue to rely upon information furnished to them by the Bank and the Directors, and have not investigated or verified, nor will they investigate or verify the accuracy and completeness of information set out herein concerning the Bank, the Bank's service providers or any other parties involved in the Bond Issue (including all of their respective affiliates, directors, officers, employees and agents). The Bank's legal counsel and the other advisors do not accept any liability in relation to the information contained or incorporated by reference in this Prospectus, as and when published, or any other information provided by the Bank in connection with the Bond Issue. Moreover, the Bank's legal counsel and the other advisors accept no responsibility for any description of matters in this Prospectus that relate to (and any issues arising from) any applicable law that is not Maltese law.

3. USE OF PROCEEDS AND OTHER KEY INFORMATION

3.1 Use of Proceeds

The net proceeds from the issue of Bonds will constitute an integral part of the Bank's capital plan to further strengthen its Tier 2 Capital requirements in terms of the CRR, and will be used by the Bank to meet part of its general capital and funding requirements, including, but not limited to: (i) enhancing the efficiency of the Bank's capital stack; and (ii) supporting the Bank's regulatory capital base (and as a result, its MREL and other regulatory requirements), and the execution of the Bank's strategy and business plan.

The Bank, together with its Parent, has applied for, and has obtained approval from the ECB to reduce its own funds, *inter alia*, by way of a redemption, repurchase and cancellation of the Existing Bonds.

The Bonds shall be made available for acquisition by Existing Bondholders who wish to participate in the Existing Bondholder Offers, following which:

(i) any EUR Bonds transferred to the Bank pursuant to the Exchange Offer shall be cancelled on the Issue Date by way of an early redemption in the case of the 2017 EUR Bonds and a repurchase in the case of the 2019 EUR Bonds; and

(ii) all Existing Bonds not transferred to the Bank pursuant to the Exchange Offer shall remain outstanding until the applicable early redemption date as referred to below.

As further set out in section 6.6 (*Description of the application process*) below, the proceeds derived from (i) subscriptions by Existing Bondholders of GBP Bonds pursuant to the Priority Offer, (ii) the subscription for additional Bonds in cash by Existing Bondholders (representing any balance of Bonds not taken up through the Existing Bondholder Offers) and (iii) the proceeds of the Intermediaries' Offer in respect of any balance of the Bonds not subscribed for by the Existing Bondholders, will be used by the Bank for the following stated purposes, in the following order of priority:

(i) the early redemption of any 2017 EUR Bonds not exchanged through the Exchange Offer and all 2017 GBP Bonds on the Issue Date (being the next scheduled early redemption date of these bonds in terms of the 2017 Prospectus); and

(ii) the early redemption of any 2019 EUR Bonds which are not exchanged through the Exchange Offer (and therefore remain in issue as at 5 November 2026) and all 2019 GBP Bonds on 5 November 2026 (this being the next scheduled early redemption date of these bonds in terms of the 2019 Prospectus).

In the event that the Bond Issue is fully subscribed, any residual amount of approximately €25,000,000 which may be required by the Bank for the early redemption in full of all outstanding Existing Bonds on 13 October 2026 or 05 November 2026, as the case may be (which may be required in addition to the proceeds of the Bond Issue for this purpose), shall be financed from the Bank's existing liquidity resources.

The Bank will proceed with the listing of the amount of Bonds subscribed for, and any proceeds from the subscription of the Bonds in cash (net of expenses as set out in section 3.2 (*Expenses of the Offer*) below) shall be applied towards the early redemption of the Existing Bonds.

3.2 Expenses of the Offer

The estimated net proceeds are €29,350,000. Total expenses shall amount to approximately €650,000 and shall be borne by the Bank. Approximately €450,000 of the total expenses are attributed to selling commission fees whereas approximately €200,000 are attributed to professional, MSE, regulatory and ancillary fees. There is no particular order of priority with respect to such expenses.

4. STRATEGY, PERFORMANCE AND BUSINESS ENVIRONMENT

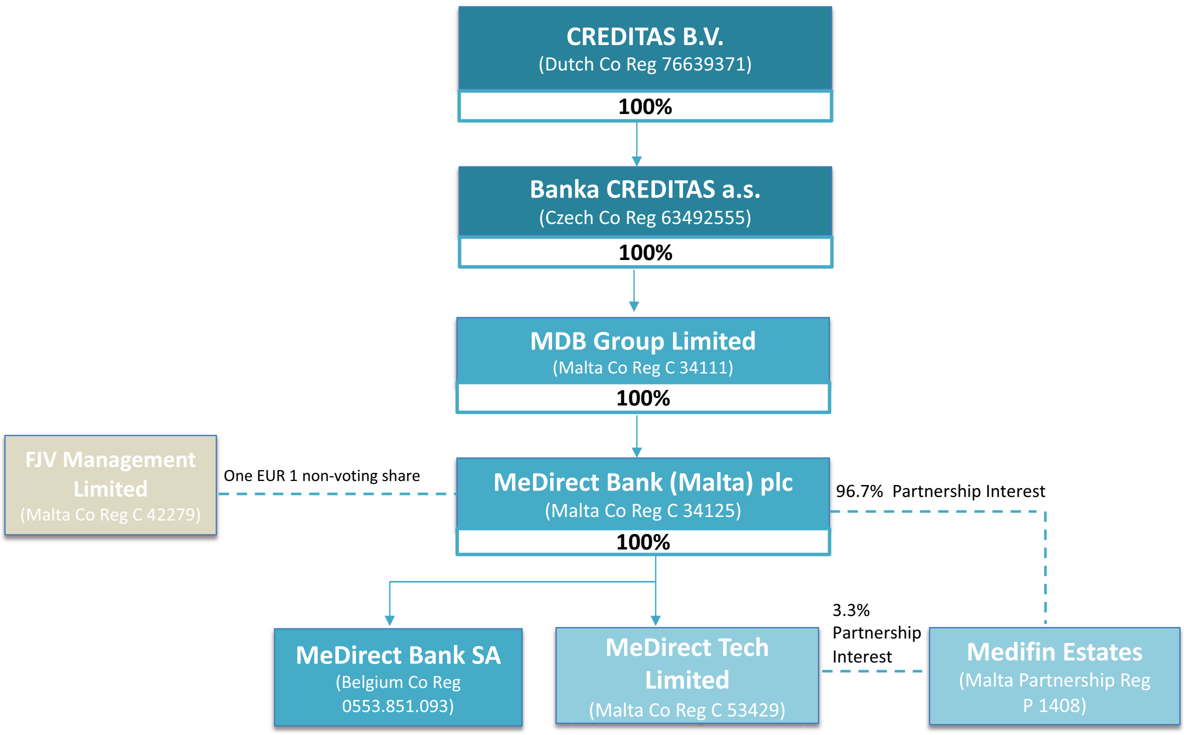
4.1 General Information of the Issuer

Legal & Commercial Name:	MeDirect Bank (Malta) plc
Company Registration Number:	C 34125
Legal Form:	Public limited liability company in terms of the Companies Act
Place of Registration & Domicile:	Malta
Date of Registration:	11 June 2004
Legislation under which the Bank operates:	Banking Act, Companies Act, Investment Services Act, Insurance Distribution Act (Chapter 487 of the Laws of Malta, as may be amended from time to time) as a tied insurance intermediary
Registered Office Address:	The Centre, Tigne' Point, Sliema TPO 0001, Malta
LEI:	529900SYUCFQHI3JZQ05
Telephone Number:	+356 2557 4400
E-mail Address:	investor.relations@medirect.com.mt
Website:	https://www.medirect.com.mt/

Unless specifically stated herein that particular information is incorporated by reference into this Prospectus, the contents of the Bank's website, any other website directly or indirectly linked to the Bank's website, or any other website referred to herein, do not form part of the Prospectus. Accordingly, no reliance ought to be made by any investor on any information or other data contained in such website as a basis for a decision to invest in the Bonds.

4.2 Group Organisational Structure

The diagram below illustrates the corporate structure of the Bank as at the date of this Prospectus:



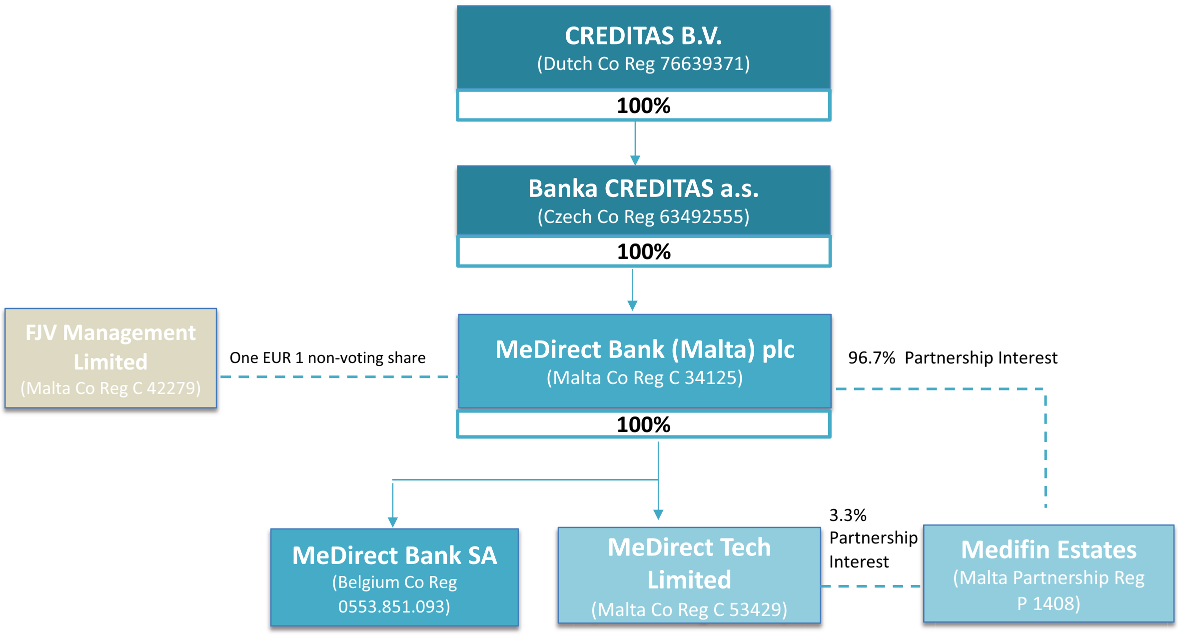
The Supervised Group is classified as a significant institution (within the meaning of Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions) in Malta. As a result of such classification, the Supervised Group is subject to regulation under the Single Supervisory Mechanism through the direct prudential supervision of the ECB, in conjunction with the national regulatory authorities, namely the MFSA and the National Bank of Belgium, which together form the JST. The Supervised Group's capital adequacy requirements are determined by the JST. Moreover, for capital purposes, the Supervised Group has also been classified as an O-SII, which has imposed additional capital buffer requirements (see section 1.3.4 (*Risks associated with Capital Adequacy*) for further details).

4.2.1 MDB Group Limited

The Parent is the local holding company of the Supervised Group. Following the signing of a share purchase agreement on 28 November 2024 entered into by Banka CREDITAS and Medifin Finance Limited (the previous shareholder of the Parent), Banka CREDITAS completed its acquisition of all of the shares in the Parent in September 2025 following receipt of the required regulatory approval. As a result of this acquisition, the Parent became a subsidiary of Banka CREDITAS while retaining its existing branding and operational structure.

The Bank and the Parent (MDB Group) are currently in the process of undergoing a merger by acquisition in accordance with the relevant provisions of the Companies Act whereby MDB Group (as the company being acquired) will be wholly acquired by the Bank (as the acquiring company). Upon completion, this merger by acquisition process will produce the following legal effects: (i) the Bank will succeed to all of MDB Group's assets, liabilities and obligations; (ii) MDB Group's existing shareholder will become a direct shareholder of the Bank in accordance with the terms and conditions set out under the relevant draft terms of merger; and (iii) MDB Group shall cease to exist. As of the date of this Prospectus, the regulatory approval process for the proposed merger remains ongoing.

The below is a corporate structure of the Bank following completion of the merger:



4.2.2 Banka CREDITAS and CREDITAS B.V.

Banka CREDITAS is a Czech financial institution that is part of a privately-owned investment group with investments primarily in financial services, real estate and energy. The financial services arm of CREDITAS B.V. has investments in banking, investment services, asset management, leasing and other related areas.

The acquisition is positioned as a strategic partnership intended to support the Bank's continued growth as a pan-European challenger bank. With the backing of Banka CREDITAS, the Supervised Group has indicated that it intends to accelerate its expansion and further develop its digital banking and investment services offering across its core markets.

CREDITAS B.V. is currently undergoing a supervisory approval assessment process in connection with a broader group restructuring. At the time of publication of this Prospectus, the supervisory assessment process remains ongoing and is subject to regulatory approval.

4.2.3 Other group entities

The principal activities of the other group entities are included in the following table:

Entity	Principal Activities
Bastion 2021-1 NHG B.V. Bastion 2022-1 NHG B.V. Bastion 2025-1 NHG B.V.	Bastion 2021-1 NHG B.V., Bastion 2022-1 NHG B.V. and Bastion 2025-1 NHG B.V. are special purpose vehicles which were established as part of the Supervised Group's funding strategy. They are the issuers of securitisation notes, and were established to acquire and manage loan receivables and related assets and to undertake financing, investment and hedging activities in connection with securitisation transactions. MeDirect Belgium, has retained substantially all risks and rewards pertaining to the activities of these entities, and hence to assets, liabilities and related income and expenditure attributable to it, and as such, all assets, liabilities and related income and expenditure are reflected in the Bank's consolidated financial statements.

4.3 Business Overview of the Bank and/or the Supervised Group

4.3.1 Historical Development

The Bank commenced operations as Mediterranean Bank plc in June 2004, becoming a fully licensed Maltese credit institution in 2007. Since such time, the Bank expanded its operations to Belgium through the operation of a branch and later as a subsidiary, MeDirect Belgium. In 2010, the Bank acquired a majority stake in Charts Investment Management Services Limited (C 7944), a Maltese stockbroking, wealth management and corporate advisory firm, completing its takeover in 2015, and then fully incorporating the "Charts" investment services licence in 2018 by virtue of a merger. This enabled the Bank to offer superior investment advisory services, as well as corporate broking services to local and international companies.

The Bank continued to steadily build a strong reputation in Malta as a leading savings and wealth management bank, with branches in Sliema, Paola, Mosta and Gozo, acquiring Volksbank Malta Limited in 2014 to further enhance and broaden its corporate lending portfolio to Maltese clients.

The name of the Bank was changed from Mediterranean Bank plc to MeDirect Bank (Malta) plc in 2017, aligning the Bank's Maltese identity with the "MeDirect" brand under which its Belgian subsidiary had, by then, established a strong market presence. This rebranding coincided with the relocation of the Bank's head office, operations and support functions to its current premises at The Centre, Tigné Point, Sliema, Malta.

In view of its Existing Bonds which were issued in 2017 and 2019, respectively, as at the date of this Prospectus, the Bank has an aggregate outstanding amount of approximately €58 million. The 2017 EUR Bonds and the 2017 GBP Bonds are redeemable early at the option of the Bank (subject to prior MFSA approval) on the 13 October of each year, whereas the 2019 EUR Bonds and the 2019 GBP Bonds are redeemable early at the option of the Bank (subject to prior JST approval) on the 5 November of each year.

The Supervised Group subsequently extended its product and geographic footprint further and, in 2021, the Bank began offering a home loans service in the Maltese market. In 2023, the Supervised Group launched its investment and savings platform to retail clients in the Netherlands and started offering card services, marking its entry into the daily/personal banking market in Malta and completing its transition into a full-service, digitally-led retail and corporate bank. Over the same period, the Supervised Group grew its specialised mortgage lending platform across Malta, Belgium and the Netherlands, alongside its Maltese corporate lending franchise.

As stated in sections 4.2.1 (*MDB Group Limited*) and 4.2.2 (*Banka CREDITAS*) respectively, in 2025 the Parent was acquired by Banka CREDITAS in a strategic partnership for the Bank's growth. In connection with the transaction, Banka CREDITAS injected around €65 million of additional capital as of June 2026, in order to support the continued growth of the Supervised Group's business in its core markets. Following completion of the acquisition, the Bank continues to operate under its existing brand, management structure and business strategy, headquartered in Malta.

4.3.2 Objects and Purposes

The objects of the Bank are set out in clause 4 of its Memorandum of Association. The principal object of the Bank is, in summary, to carry on the business of banking and to undertake, carry on and execute all kinds of banking operations as may be allowed by the MFSA. A copy of the Memorandum of Association is available for inspection as set out in section 11 (*Documents available for inspection*).

4.3.3 Vision and Values

The Supervised Group's mission is to empower clients to manage their wealth with confidence and autonomy. Its vision, in pursuit of this mission, is to deliver choice, transparency and digital-first banking to its clients across each of its markets.

- **Choice:** embodied in the "*My Money, My Choices*" brand positioning, and is delivered in practice by giving clients the option of managing their finances directly by being guided in their investment decisions, rather than directing them towards a single, standardised product.
- **Transparency:** delivered through the way products and pricing are presented to clients.
- **Digital-first banking:** reflects the core operating model. Substantially all products are delivered through its own mobile application and internet banking platform, an approach followed since its establishment as Malta's first digital bank and has since extended across each of its markets.

These three elements are directed at meeting the needs of the affluent client segment, considered to be underserved, and at providing digital services to a broad client base ranging from first-time to experienced investors.

The Supervised Group's operations are underpinned by four core values:

- **Autonomy:** giving clients the tools to manage their money on their own terms and encourages its employees to take ownership of their work and to develop their skills.
- **Innovation:** a results-driven approach, continually reviewing the manner in which the vision is delivered and the offering developed.
- **Transparency:** communicating clearly with its clients, on the basis that, while the financial world is not simple, the platform should be.
- **Responsibility:** taking seriously responsibilities towards all stakeholders, including clients, employees and regulators.

Technology strategy is central to the delivery of this vision, underpinned by a cloud-agnostic architecture that integrates services from third-party providers. This is supported by dedicated marketing, product and control functions in each market, allowing efficient scaling while remaining responsive to local conditions.

4.3.4 Principal Activities

The Bank is a licensed credit institution providing banking, investment and lending services to personal and business clients in Malta and owns MeDirect Belgium, a licensed Belgian credit institution. MeDirect Belgium operates as a fully digital challenger bank.

The Supervised Group operates with a clear vision to provide individual clients with a wide choice of high-quality investment and financial products through an open architecture model with intuitive online and mobile platforms.

In Malta, the Bank's focus on choice and excellence also extends to business clients. As a financial institution founded and headquartered in Malta, the Bank plays an active role in supporting Malta's economy. The country's business community increasingly relies on the Bank as a trusted partner, using its digital business banking platform to access a full range of transaction and lending solutions tailored to its needs.

The Supervised Group's products are built around its proprietary, modular digital banking platform. The Bank leverages its cloud-agnostic, microservices-based architecture to enable rapid deployment, cost efficiency, and adaptability to market demands.

The principal activities of the Supervised Group include the following:

Deposit-taking and daily banking

The Supervised Group offers personal and business clients a range of deposit products, covering current, savings and fixed-term accounts. These services are delivered primarily through the Supervised Group's proprietary digital banking platform. In Malta, clients can also make use of branch-based client support and relationship management services.

The Supervised Group has also enhanced its product range to enable clients to meet their daily banking needs. These services include payments, digital and physical debit cards and foreign exchange services. Malta business clients can also make use of the Bank's overdraft product.

Wealth management and investment services

The Supervised Group provides investment and wealth management services through its digital platform and, in Malta, through dedicated financial advisers. Consistent with its vision, it makes a wide range of services available allowing clients to decide on the degree of autonomy or guidance that best suits their investment objectives.

The product range includes execution-only investment services, model portfolios, investment advisory services (in Malta only), and discretionary portfolio management. The platform provides access to a broad range of investment products under an open-architecture model, including mutual funds, exchange traded funds, equities and bonds.

Corporate banking

The Bank provides corporate banking services in Malta, offering secured lending, working capital facilities, receivables financing, overdraft facilities and transactional banking services to corporate clients.

During 2024, the Bank launched its corporate banking platform, an omni-channel solution accessible through web and mobile interfaces, which includes a salary payment module enabling businesses to process payroll, a feature which the Bank considers has contributed to strong client satisfaction outcomes.

Corporate lending is carried out in accordance with prudent underwriting standards.

Mortgage lending

In Belgium, mortgage lending constitutes a core business line. Since 2018, MeDirect Belgium has built a geographically and segmentally diversified portfolio of mortgage loans through various partnerships. It acquires residential mortgages in Belgium and the Netherlands through partnerships with established platforms / players in the respective markets. It also acquires professional buy-to-let mortgage receivables in the Netherlands through strategic distribution partnerships.

Treasury activities

Both the Bank and MeDirect Belgium maintain a treasury investment portfolio comprising high-quality liquid assets, including government and supranational securities, covered bonds and other highly rated fixed-income instruments. These investments support the Supervised Group's liquidity management frameworks while generating stable investment income. Treasury activities are conducted within established risk management and regulatory frameworks and form an integral component of the overall financial management processes.

4.4 Business Strategy

4.4.1 Overview

The current 2026-2028 strategy, approved by the Board in December 2025, covers the Bank on a solo basis and the Supervised Group on a consolidated basis, the latter including the Bank's wholly owned subsidiary MeDirect Belgium, which forms a substantial part of its consolidated balance sheet and profitability. The strategy is built on three key pillars:

- consolidating and growing its position in its existing core markets;
- leveraging the technology platform to accelerate the delivery of its existing business model; and
- continuing to build sustainable profitability around two principal business lines — retail & wealth banking as well as relationship-based business banking.

These three pillars are underpinned throughout by a reinforced capital base, as further described at the end of this section. The strategy is the practical expression of the vision and values set out in section 4.3.3 (*Vision and Values*) above, translating the Supervised Group's commitment to choice, transparency and digital-first banking into a concrete plan for its core markets. Each pillar is directed, in combination, at the delivery of the Supervised Group's financial objectives set out in section 4.4.2 (*Financial Objectives*) below, namely, controlled and primarily deposit-funded balance sheet growth, profitability driven by growth in net interest income and fee income, continued cost discipline, and an increasing return on equity.

Pillar One: Core markets

The Supervised Group's primary focus is to grow its market share within its existing markets of Malta and Belgium and regards this approach as the most direct means of delivering controlled balance sheet growth funded primarily by deposit growth. The strategy within each of its core markets is as follows:

- *Malta retail & wealth banking*. The Bank's strategy in Malta rests on a dual approach. The first is a digital only proposition, targeting the affluent segment that is widely underserved and overcharged by the traditional banking landscape, offering clients a fully digital banking and investment journey. The Bank offers its underlying investment products suite through an open architecture concept, exposing a wide range of products from a diversified range of leading manufacturers from which the client can make its choices. This execution-only proposition is supported by targeted digital marketing and the continued development of the Bank's proprietary platform, including planned enhancements to transactional banking and investment capabilities. The second is an advisory proposition, aimed at the affluent and high-net-worth segments of the Maltese market, through in-person investment advice and relationship management. The Bank considers itself well positioned to grow within this segment, on the basis that it is, in its own assessment, the only domestic bank offering a full suite of retail and wealth management services — spanning deposits, cards, execution-only dealing, advisory services and discretionary portfolio management — in a market where a number of established institutions continue to focus on more traditional service models.

- *Malta business banking.* The Bank regards business banking as a cornerstone of its Maltese business model, with two areas of focus. In lending, the Bank's strategy is to diversify its product range and sectoral reach, while continuing to reduce the concentration of its lending book in the construction and real estate sector. In services, the Bank intends to deepen its relationships with existing corporate clients, including through closer integration with client accounting and enterprise systems, and to extend its services to a wider range of regulated entities, supported by continued investment in its proprietary state-of-the-art corporate e-banking platform.

- *Belgium*. MeDirect Belgium's strategic intent is to become the leading bank for affluent clients in that market, through continued expansion of its client base and the introduction of further functionality on its proprietary platform to address both wealth management and daily banking needs. The Belgian business is expected to continue to grow its balance sheet in a controlled manner over a rolling 3-year period (2026 – 2028), consolidating the sustainability of its business model, with a focus on maintaining a stable net banking income, an increasingly efficient cost-to-income ratio, prudent management of interest rate risk, and continued low client acquisition costs achieved through targeted digital marketing.

Pillar Two: Technology

The Bank operates a state-of-the-art technology platform, developed in-house principally in Malta. This platform has historically enabled the robust development and deployment of new products across investing, home loans, corporate onboarding, and credit underwriting capabilities. Its agile, digitally native and technology-led culture as a structural advantage relative to larger, less digitally native competitors, allowing it to adapt quickly to evolving client expectations, including the increasing role of artificial intelligence across banking functions more broadly, and to continue developing more personalised and intuitive digital banking journeys for its clients. The additional capital is in part intended to allow further development of this platform, expanding the product offering while maintaining the high standards of security and reliability seen as a core element of its proposition. Continued investment in this platform is regarded as central to its competitive positioning and efficiency objectives. A scalable, largely automated technology base allows it to grow its client franchise and to widen its product offering, achieving very short time-to-market cycles, without a proportionate increase in its cost base.

Pillar Three: Two principal business lines

The Supervised Group has, over recent years, completed its exit from the international corporate lending portfolio while growing its retail & wealth banking business - principally through mortgage lending in Belgium and the Netherlands and retail banking in Malta - and its Maltese business banking activities.

The strategy is to continue growing the retail & wealth banking and business banking lines as the two principal engines of its balance sheet and income growth, reflecting a deliberate rebalancing of its activities towards more stable, collateralised, client-relationship-driven business, consistent with the market-specific strategies for Malta and Belgium described in Pillar One above.

Within retail & wealth banking, the Supervised Group plans to continue growing its mortgage lending business in Belgium and the Netherlands, including through continued growth of its Dutch professional buy-to-let portfolio. In the Belgian market, MeDirect Belgium intends to launch an online mortgage distribution model in the coming months, under which it will begin acting as lender of record for mortgages originated through this channel, in order to support further growth of its Belgian mortgage book. MeDirect Belgium is in the process of obtaining the necessary regulatory approvals for this model. In Malta, retail & wealth banking growth will continue to be delivered through the Bank's retail banking business, comprising daily banking, savings and card services, together with its digital and advisory wealth propositions described in Pillar One above.

Within business banking, the Bank is focused on continuing to diversify its Maltese lending book across a wider range of products and sectors, while deepening its relationships with existing corporate clients and extending its services to a wider range of regulated entities. This reflects a deliberate rebalancing away from the Bank's historically higher-leverage international corporate lending book, towards more stable, collateralised, client-relationship-driven business. The Bank regards this repositioning as the principal driver of future sustainable revenue growth and profitability objectives.

Growth in these two business lines is expected to deliver sustained growth in net interest income and fee income and, over time, an increasing return on equity. The Supervised Group also considers that this shift in the composition of its balance sheet, towards a larger number of smaller, collateralised and relationship-based exposures, supports a more resilient credit risk profile going forward.

Capital as the foundation for this strategy

A reinforced capital base underpins each of the three pillars above, which the Supervised Group regards as a precondition for its strategic growth plans. The Tier 1 and total capital ratios strengthened materially during 2025 and 2026, supported by capital invested by the controlling shareholder – Banka CREDITAS, and the Supervised Group intends to maintain capital, leverage and liquidity buffers in excess of applicable regulatory requirements throughout the plan period. The Supervised Group expects to continue funding its balance sheet growth primarily through client deposits raised through its established retail and corporate deposit platforms in Malta and Belgium, supported by a range of contingency funding arrangements. Continued investment will also be made in the technology platform and in maintaining robust governance, risk and control functions that continue to evolve alongside regulators' expectations.

Underpinning each of the above is a common thread: the delivery of a sustainable business model, within a robust control environment and with prudent capital and liquidity levels, is the cornerstone of this strategy for a rolling 3-year period (currently 2026 – 2028). This has been prioritised over more rapid balance sheet growth.

The strategy described in this section is reviewed by the Supervised Group as part of a structured planning framework, under which strategies and plans are formally reviewed and updated on an annual basis, or more frequently where material developments warrant an earlier review. This process is supported by a rolling planning outlook, allowing emerging developments to be incorporated into forecasts and decision-making on an ongoing basis and enabling timely management action to be taken where required.

Performance against the Supervised Group's strategic and operational plans is monitored on an ongoing basis, taking into account developments in market conditions, the economic and political environment, regulatory developments, and other relevant internal and external factors. Variances between planned and actual outcomes arise from time to time as a matter of course, including as a result of events outside its control, such as market or political developments, which may have a material impact on these plans depending on the particular circumstances at the time. Where appropriate, assumptions, priorities and actions are adjusted — including the assumptions underlying the strategy, pillars and financial objectives described in this section — to ensure that the strategy remains responsive to changing circumstances and evolving customer needs.

Prospective investors should accordingly note that the strategy described in this section reflects current planning as at the date of this Prospectus, and may be reviewed, adjusted or superseded as part of this ongoing process (see also section 4.4.2 (*Financial Objectives*), regarding the forward-looking nature of these financial objectives).

Intended Supervised Group Reorganisation

In parallel with the 2026 — 2028 strategy, the Supervised Group intends to commence a multi-year initiative to simplify its legal and organisational structure.

This target structure was included in the application submitted by Banka CREDITAS to the ECB in connection with its acquisition of the MDB Group, which was approved by the ECB and completed in September 2025 (as further set out in sections 4.2.1 (*MDB Group Limited*) and 4.2.2 (*Banka CREDITAS*) respectively above). The rationale for simplifying the current structure is to:

(i) reduce the complexity of its governance model,

(ii) shift, to direct supervision of the two banks in their respective domestic markets over time; and

(iii) allow each bank to focus on its own strategy and core banking business.

Under the current structure, the Bank is the direct parent company of MeDirect Belgium and MeDirect Tech (see section 4.2 (*Group Organisational Structure*) above). Under the target structure, the Bank and MeDirect Belgium would instead sit alongside one another as separate, sister licensed credit institutions, and MeDirect Tech would operate as a separate legal entity responsible for the development and provision of the core banking technology platform to both banks. All three legal entities would be direct subsidiaries of Banka CREDITAS.

The intended reorganisation will be a multifaceted, multi-year undertaking. It will require the design and implementation of new legal, functional and governance arrangements between three separate entities. Furthermore, it will need formal approval by a number of regulatory authorities, including the MFSA, the National Bank of Belgium, and the ECB, as well as a sufficient Tier 1 capital position at each bank (being the Bank and MeDirect Belgium), supported by further capital from the shareholder as required. Given the scale of the exercise and the extent of regulatory scrutiny to which it will be subject, the Group currently expects the reorganisation process to take place over a period running through to 2028, with the target structure, if achieved, expected to become operational in 2029.

This timeline reflects the current expectations only and may evolve in light of regulatory feedback, legal developments, or other organisational considerations as the process progresses. Beyond regulatory considerations, the pursuit and eventual completion of this initiative are also subject to prevailing market conditions, which may affect the scope, structure or timing of the reorganisation described in this section. Because the Supervised Group intends to pursue this initiative as currently planned, its final timing, structure and completion may depend on factors outside its sole control, as described above. As this target structure formed part of the basis on which the ECB approved the change of control, the Supervised Group regards its timely and orderly implementation with particular priority, alongside the business priorities described in the preceding sections of this Prospectus.

The 2026 - 2028 strategic priorities remain firmly in place throughout this process, notwithstanding its scale and duration. The Supervised Group's focus over the aforementioned period remains the growth of its business in Malta and Belgium described in Pillars One to Three above; the reorganisation described in this section is a structural initiative that will be pursued over a period of years, in parallel with, and without altering, that growth strategy.

The Bank regards this intended reorganisation (resulting in a simplified Group structure) as beneficial for three principal reasons:

- First, a simplified governance model. Functioning as two sister banks, rather than as parent and subsidiary, is expected to result in simpler governance and management arrangements for each bank, allowing the management of each of the Bank and MeDirect Belgium to focus more directly on their own strategies, core markets and customer bases.

- Second, direct supervision in each home market. Under the target structure, each bank is expected to be supervised directly by the relevant national competent authority responsible for its home market — the MFSA with respect to the Bank, and the National Bank of Belgium with respect to MeDirect Belgium — in place of the Supervised Group's current supervision being carried out directly by the ECB as a result of its status as a significant institution (within the meaning of Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions). This is not expected to happen immediately as the process of reclassification to less significant status follows a separate ECB assessment and is expected to take effect over time, once the Bank has established itself as a smaller, more focused, single-market institution. Throughout this process, the Bank would remain part of the Single Supervisory Mechanism, and regards this shift as a natural, positive step towards supervision that is more direct and better suited to its size and risk profile, consistent with comparable Maltese banks.

- Third, a sharper focus for each part of the Supervised Group. Repurposing MeDirect Tech as a separate legal entity is intended to allow each of the Bank and MeDirect Belgium to concentrate fully on their respective core banking businesses. Ring-fencing the technology function from each bank in this way is expected to provide clearer, value-appropriate decision-making, coupled with a sound governance process and the efficient allocation of resources over time, while maintaining a robust, central technology stack serving both banks. MeDirect Tech will operate as a dedicated service provider to the sister banks, with its own management and governance structure, focused specifically on developing their shared technology platform and on driving efficiency across both banks.

A key pre-requisite to obtaining regulatory approval for this reorganisation is expected to be a sufficient Tier 1 capital position at each of the Bank and MeDirect Belgium, supported by further capital from the shareholder where required, to enable both banks to operate as standalone institutions. The Supervised Group anticipates that its regulators will expect to see a strengthened capital base in place before approving the separation of the two banks and the carve-out of MeDirect Tech, reflecting the scale of the reorganisation and the importance regulators place on each resulting entity being independently well-capitalised from the point of separation onward.

The Bank following completion of the intended Supervised Group Reorganisation

Following completion of the intended reorganisation described above, the Bank is expected to operate as a standalone, single-market Maltese credit institution. The Bank's balance sheet, capital and liquidity positions are expected to continue to be funded primarily by customer deposits raised in Malta, and over time to be reported to and supervised on an individual Maltese basis by the MFSA.

The Bank's ambition for this future position is to be a sufficiently capitalised, sustainably profitable, and growing bank in the Maltese market. Its aims, in this respect, include:

- a total asset base of approximately €1.5 billion, with a target of ranking the Bank among the top five domestic banks in Malta;
- a well-established and growing business banking proposition with approximately 10% market share maintained with attractive risk-return characteristics;
- solid positioning as a one-stop-shop for savings, payments and wealth management in the retail & wealth banking segment; and
- sustainable profitability and generating sufficient organic capital to self-fund future growth.

These are directional aims rather than specific forecasts or targets, and constitute forward-looking statements for the purposes of section 1.2 (*Forward-Looking Statements*) of this Prospectus, and prospective investors should have regard to the qualifications set out in that section, including that actual results may differ materially from these aims as a result of the factors described in section 1 (*Risk Factors*) and elsewhere in this Prospectus.

The Bank's relationship with MeDirect Tech, through which the Bank will continue to access shared banking technology platform, is expected to constitute a "critical" outsourcing arrangement for the purposes of the EBA's Guidelines on Outsourcing Arrangements, as applied by the MFSA and the ECB. Under this classification, the Bank will remain fully responsible to its regulators for the technology platform, just as if it remained an internal function. The Bank will actively oversee MeDirect Tech's performance, keep formal records of the arrangement, and maintain safeguards in its contract with MeDirect Tech, including a plan for exiting the arrangement, if ever needed. The Bank will accordingly continue to benefit from continued investment in, and development of, its digital banking and investment platform, without itself bearing the day-to-day cost, complexity or governance associated with operating that technology function directly, while remaining subject to the same level of regulatory accountability for that platform as it is today.

The resulting structure will accordingly over time, be a Malta-headquartered bank supervised by the MFSA, with a balance sheet concentrated in Maltese retail & wealth banking, and business banking, funded by Maltese customer deposits, and supported by a Malta-based technology partner, as described above.

The Bank considers that this structure will be simpler for investors to assess and monitor on its own terms, reflecting its standalone credit and regulatory profile following completion of the intended reorganisation.

The regulatory authorities that will need to approve the intended reorganisation — the MFSA, the National Bank of Belgium, and the ECB — already supervise the Supervised Group in their respective capacities and were separately involved in the process of approving Banka CREDITAS's acquisition of the Supervised Group, which includes the Bank as a significant institution (within the meaning of Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions) within the Single Supervisory Mechanism. As described above, the intended reorganisation, in whatever form it may ultimately take, will only proceed with their approval. This approval process is a prudential and regulatory one, directed at the safety and soundness of the institutions involved, and which will amongst other matters, consider the interests of all stakeholders involved (including the Bondholders). As a result, the Bank firmly believes that the proposed reorganisation, if successfully implemented as described (or in some other similar form), will not impact its ability to meet its obligations to Bondholders.

4.4.2 Financial Objectives

The Supervised Group's financial objectives for the rolling 3-year period (2026 – 2028), expressed as directional aims rather than as specific forecasts or targets, are set out below. These objectives constitute forward-looking statements for the purposes of section 1.2 (*Forward-Looking Statements*) of this Prospectus, and prospective investors should have regard to the qualifications set out in that section, including that actual results may differ materially from these objectives as a result of the factors described in section 1 (*Risk Factors*) and elsewhere in this Prospectus.

In executing its current strategy over a rolling three-year period (2026 – 2028), the Supervised Group is aiming to:

- grow total assets in a controlled, deposit-funded manner by a mid-to-high single-digit compound annual growth rate ("**CAGR**");
- deliver sustained profitability from 2026, with net interest income and fee income both growing at a double-digit CAGR;
- continue to maintain cost discipline relative to income, targeting a cost-to-income ratio by 2028 that is materially lower than its current elevated level; and
- increase return on equity to a sustainable mid-single-digit level by 2028.

4.5 Trend Information

As at the date of this Prospectus there has been no material adverse change in the prospects of the Bank since the 31 December 2025, being the date of the Bank's last published audited financial statements. Nor has there been a significant change in the financial performance of the Bank since 30 June 2026 (being the end of the Bank's last financial period for which financial information has been published, which financial information also includes MeDirect Belgium, MeDirect Tech and certain controlled entities as further set out in section 8 (*Financial Information*) below).

5. TERMS AND CONDITIONS OF THE BONDS

5.1 General

The Bonds (ISIN: MT0000551326) will be issued on the Issue Date, being 13 October 2026, on the Terms and Conditions as set out below, and all Applicants (or purchasers from time to time) of the Bonds are deemed to have knowledge, accept and be bound by the Terms and Conditions. In the event of any inconsistency or conflict between the provisions of these Terms and Conditions and any laws or regulations applicable to the Bank from time to time, such laws and regulations shall govern and control and these Terms and Conditions shall be construed accordingly.

The Bond Issue, the listing of the Bonds on the Official List, and the publication of the Prospectus were authorised by a resolution of the Board passed on 26 August 2026.

5.2 Governing Law and Jurisdiction

5.2.1 Governing Law

The Bonds, all the rights and obligations of the Bondholder and the Bank, and any non-contractual obligations arising out of or in connection with the Bonds, shall be governed by and construed in accordance with Maltese law.

5.2.2 Jurisdiction

The Courts of Malta shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, all the rights and obligations of the Bondholder and/or the Bank, and any non-contractual obligations arising out of or in connection with the Bonds. The Bank and the Bondholders hereby irrevocably submit to the exclusive jurisdiction of the Courts of Malta to hear and determine any proceedings and to settle any dispute which may arise out of, or in connection with the Bonds.

Each of the Bank and the Bondholder waives any objection to the Maltese Courts on grounds of inconvenient forum or otherwise as regards proceedings in connection herewith and agrees that a judgment or order of such a Court shall be conclusive and binding on it and may be enforced against it in the Courts of any other jurisdiction.

5.3 Currency and Denomination, Form and Title

5.3.1 Currency and Denomination

All Bonds will have a denomination of €100. The aggregate principal amount of Bonds that the Bank may issue pursuant to this Prospectus is €30,000,000, divided into 300,000 Bonds of €100 each.

5.3.2 Form and Title

The Bonds will be issued in fully registered and dematerialised form, without coupons or certificates, and ownership thereof will be evidenced by the appropriate entries in the CSD Register. There will be entered in the CSD Register, the names, addresses, identity card numbers (or details of some other official document, in the case of natural persons), registration numbers and LEI numbers (in the case of companies), and account details of the Bondholders and the particulars of the Bonds held by them respectively. Bondholders will also have, at all reasonable times during business hours, access to the CSD Register only in so far and for the purposes limited to the inspection of information held on their respective accounts. Each Bondholder consents to the Bank having a right to obtain, from the CSD Register, any available information on the Bondholders including contact details and their holdings of Bonds.

Certificates will not be delivered to Bondholders and title to the Bonds shall be evidenced by an electronic entry in the CSD Register. The CSD will issue, upon a request by a Bondholder, a statement of holdings to a Bondholder evidencing that Bondholder's entitlement to Bonds held in the register CSD Register. Except as ordered by a court of competent jurisdiction or as required by law, the Bank shall be entitled to treat the person in whose name a Bond shall be registered in the CSD Register as the absolute owner thereof for the purpose of making payment and for all other purposes, regardless of any notice of any nominee relationship or trust.

Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Bond.

5.4 Status

The Bonds (their repayment and the payment of interest thereon) shall constitute the general, direct, subordinated, unsecured and unconditional obligations of the Bank to the Bondholders, and shall at all times rank *pari passu*, without any priority or preference among themselves.

In the event of the dissolution and winding up of the Bank, the claims of Bondholders in respect of the payment of capital and interest on the Bonds constitute, so long as the Bonds qualify as Tier 2 Instruments, Tier 2 Claims under the Ranking Legislation, and will have the ranking set out in the Ranking Legislation.

The claims in respect of the principal and interest of the Bonds will, in the event of the dissolution and winding-up of the Bank and provided such Bonds qualify as Tier 2 Instruments:

(a) be subordinated in right of payment in the manner provided in the Ranking Legislation to:

(i) all Preferred Claims,

(ii) all Ordinary Unsecured Claims;

(iii) all Secondary Unsecured Claims; and

(iv) all Senior Subordinated Claims;

(b) rank *pari passu* with all other Tier 2 Claims (including claims in respect of other Bonds that qualify as Tier 2 Instruments); and

(c) rank in priority to (1) the claims in respect of all Additional Tier 1 Instruments of the Bank and (2) the claims in respect of all CET 1 Instruments of the Bank.

If any Bonds cease to qualify as Tier 2 Instruments, the claims in respect of such Bonds will, in the event of the dissolution and winding-up of the Bank, rank *pari passu* with all Senior Subordinated Claims, subject to the Ranking Legislation.

In the event of a resolution of the Bank or outside of resolution, at the early intervention stage, the Bonds are subject to conversion or write down by the Relevant Resolution Authority as provided by law.

No security or guarantee of whatever kind is being, or shall at any time be, provided by the Bank or by any other person for the purpose of securing the obligations of the Bank to Bondholders in respect of the Bonds.

5.5 Limited Remedies / No Set-Off

Each Bondholder agrees that the only remedy available to the Bondholders in the case of non-performance by the Bank of any of its obligations or any other breach by the Bank of these Terms and Conditions (including the non-payment of interest and principal) shall be the right available to the Bondholders under applicable law to file an application in court for the dissolution and winding-up of the Bank in those instances set out by law.

Claims in respect of any Bonds may not be set-off or netted, by the relevant Bondholder against or in respect of any of its obligations to the Bank and every Bondholder waives, and shall be treated for all purposes as if it had waived, any right that it might otherwise have to set-off or net any of its claims in respect of any Bonds, against or in respect of any of its obligations to the Bank. If, notwithstanding the preceding sentence, any Bondholder receives or recovers any sum or the benefit of any sum in respect of any Bonds by virtue of any such set-off or netting, it shall hold the same on trust for the Bank and shall pay the amount thereof to the Bank or, in the event of the winding up of the Bank, to the liquidator of the Bank.

5.6 Acceleration Event

In the event that (i) an extraordinary resolution is passed at a general meeting for the dissolution, winding-up or liquidation of the Bank or (ii) an order by the applicable judicial authorities is made for the dissolution, liquidation or winding-up of the Bank or (iii) an order for liquidation is made by the competent authority in respect of the Bank under the Controlled Companies (Procedure for Liquidation) Act (Chapter 383 of the laws of Malta) or (iv) the dissolution, winding-up or liquidation of the Bank is carried out in terms of any other law that may come into force from time to time, the Bonds shall immediately become due and payable at their Nominal Value, together with interest accrued up to the date of repayment, if any, in accordance with the ranking established by law. Payment of principal and accrued but unpaid interest on the Bonds may be accelerated only in the occurrence of any of the events set out under this paragraph. Such an acceleration event shall be subject to any overriding provisions of the Recovery & Resolution Regulations and any other applicable law, provided that the acceleration event will not be triggered solely by any resolution carried out under the Recovery & Resolution Regulations or any moratorium provided for thereunder.

5.7 Rights Attached to the Bonds

There are no special rights attached to the Bonds other than the right of the Bondholders to: (i) attend, participate in and vote at meetings of Bondholders in accordance with these Terms and Conditions; (ii) receive payment of capital and interest in accordance with the ranking as provided in these Terms and Conditions; and (iii) enjoy such other rights attached to the Bonds emanating from this Prospectus.

5.8 Interest

5.8.1 Interest Rate and Interest Payment Dates

Each Bond shall bear interest on its outstanding principal amount at a rate of 5.85% per annum from (and including) the Interest Commencement Date up to (but excluding) the Maturity Date. Interest on Bonds shall be payable in arrears in euro, on each Interest Payment Date and on the Maturity Date. The first payment of interest shall be made on the first Interest Payment Date. In the event that any Interest Payment Date falls due on a day other than a Business Day, the relevant Interest Payment Date will be the first following day which is a Business Day.

In respect of Bonds, when interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a 365-day year, and in the case of an incomplete month, the number of days elapsed. Interest shall cease to accrue on each Bond on the day preceding the Maturity Date unless payment of principal is improperly withheld or refused or unless the Bank defaults in respect of payment, in which event, interest shall continue to accrue at a rate of 5.85% per annum until the date of payment thereof.

5.9 Yield

The gross yield, calculated on the basis of the interest rate of the Bonds, the Issue Price, and the redemption value (at Nominal Value) of the Bonds on the Maturity Date, is 5.85%.

5.10 Payments

5.10.1 The Bank will discharge all of its payment obligations under the Bonds by making payments to the bank accounts of the Bondholders indicated in the CSD Register. Payments will be made only by bank transfer into the bank accounts of Bondholders that are provided in the relevant Application or as otherwise provided to the CSD. If no bank account number is provided, payments will be withheld (without interest) until a bank account number is provided. The Bank has no responsibility or liability for the records relating to, or payments made in respect of, holdings of Bonds through the CSD. The Bank shall not be responsible for any loss or delay in transmission or any charges in connection therewith.

5.10.2 Repayment of the principal amount of the Bonds will be made in the specified currency of the Bonds, on the Maturity Date or an Early Redemption Date or on an Early Redemption (Exceptional Event) Date, as the case may be, by the Bank to the person in whose name such Bonds are registered as at the close of business on the Maturity Date, together with interest accrued up to (but excluding) the Maturity Date. The Bank shall not be responsible for any loss or delay in transmission. Upon repayment of the principal the Bonds shall be redeemed and the appropriate entry made in the CSD Register.

5.10.3 In the case of Bonds held subject to usufruct, payment will be made against the joint instructions of all bare owners and usufructuaries. Before effecting payment, the Bank/ or the CSD shall be entitled to request any legal documents deemed necessary concerning the entitlement of the bare owner/s and the usufructuary/ies to payment of the Bonds.

5.10.4 Payment of interest on a Bond will be made to the person in whose name such Bond is registered at the close of business 15 days prior to the relevant Interest Payment Date. Such payment shall be effected within 7 days of the relevant Interest Payment Date. The Bank shall not be responsible for any loss or delay in transmission.

5.10.5 All payments with respect to the Bonds are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable fiscal or other laws and regulations prevailing in Malta. In particular, but without limitation, all payments by the Bank in respect of the Bonds may be made gross of any amount to be deducted or withheld for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed, collected, withheld, assessed or levied by or on behalf of the Government of Malta or any other authority thereof or therein having power to tax.

5.10.6 No commissions or expenses shall be charged by the Bank to Bondholders in respect of such payments. The Bank shall not be liable for charges, expenses and commissions levied by parties other than the Bank.

5.10.7 Any claim against the Bank by Bondholders in connection with all payments due to them in respect of the Bonds shall be prescribed (time-barred) upon the lapse of 5 years from the day on which an action in relation to the same can be exercised.

5.11 Redemption

5.11.1 Unless redeemed on an Early Redemption Date or on an Early Redemption (Exceptional Event) Date in accordance with the terms of this section (or purchased and cancelled in accordance with section 5.12 (*Purchase and Cancellation*) below), the Bonds shall be redeemed at their Nominal Value on the Maturity Date.

5.11.2 The Bank may, in terms of article 78(1) of the CRR, at any time following the fifth anniversary of the Issue Date, redeem the Bonds on any Early Redemption Date, subject to:

(a) obtaining the prior permission of the Relevant Competent Authority and provided that one of the following conditions is met:

(i) before or at the same time of the redemption, the Bank replaces the Bonds being redeemed with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Supervised Group and/or the Bank (as the case may be); or

(ii) the Bank has demonstrated to the satisfaction of the Relevant Competent Authority that the own funds and eligible liabilities of the Supervised Group and/or the Bank (as the case may be) would, following the redemption, exceed the requirements for own funds and eligible liabilities laid down in the CRR, the CRD and the BRRD by a margin that the Relevant Competent Authority considers necessary at such time;

or

(b) obtaining a general prior permission of the Relevant Competent Authority in terms of article 78(1) subparagraph 2 of the CRR for a specified period (which shall not exceed one year, but which may be renewed) and for a certain predetermined amount set by the Relevant Competent Authority, which amount shall not exceed 10% of the relevant amount of Bonds and shall not exceed 3% of the total amount of all outstanding Tier 2 instruments issued by the Bank, subject to criteria set by the Relevant Competent Authority that ensure that any such future action will be in accordance with one of the conditions set out in points (i) and (ii) of paragraph (a) above and provided that the Supervised Group and/or the Bank (as the case may be) provides sufficient safeguards as to its capacity to operate with own funds above the amounts required in the CRR and the CRD.

5.11.3 The Bank may in terms of article 78(4) of the CRR, at any time prior to the fifth anniversary of the Issue Date, redeem the Bonds on an Early Redemption (Exceptional Event) Date, subject to obtaining the prior permission of the Relevant Competent Authority, the satisfaction of the conditions set out in 5.11.2 above, and the satisfaction of one of the conditions set out in article 78(4) of the CRR.

5.11.4 Where the Bonds cease to qualify as Tier 2 instruments but instead qualify as Eligible Liabilities Instruments and the Bank may redeem the Bonds on any Early Redemption Date, subject to, where applicable, obtaining the prior permission of the Relevant Resolution Authority and the satisfaction of one of the conditions set out in article 78a(1) of the CRR.

5.11.5 In order to redeem the Bonds in terms of sections 5.11.2 and 5.11.3, the Bank must also give the Bondholders at least 30 calendar days' notice in writing, which notice shall be given in the manner set out in section 5.16 (*Notices*) below and by way of a company announcement published by the Bank. The notice of redemption shall be effective upon the date of publication of the aforementioned company announcement, shall be irrevocable and shall oblige the Bank to make, and the Bondholder to accept, such redemption on the date specified in the notice.

5.11.6 Each Bond may be redeemed only in whole and not in part and any partial redemption of the Bonds held by a Bondholder shall be made only in multiples equal to the Nominal Value thereof. Any redemption of the Bonds prior to the Maturity Date shall take place by payment of all principal together with interest accrued and unpaid on the Bonds being redeemed until the relevant Early Redemption Date or Early Redemption (Exceptional Event) Date.

5.12 Purchase and Cancellation

5.12.1 The Bank and/or its subsidiaries may in terms of article 78(1) of the CRR, at any time following the fifth anniversary of the Issue Date, purchase the Bonds in the open market or otherwise and at any price, subject to:

(a) obtaining the prior permission of the Relevant Competent Authority and provided that one of the following conditions is met:

(i) before or at the same time of the purchase, the Bank (or its subsidiary) replaces the Bonds being purchased with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Supervised Group and/or the Bank (as the case may be); or

(ii) the Bank has demonstrated to the satisfaction of the Relevant Competent Authority that the own funds and eligible liabilities of the Supervised Group and/or the Bank would, following the purchase, exceed the requirements for own funds and eligible liabilities laid down in the CRR, the CRD and the BRRD by a margin that the Relevant Competent Authority considers necessary at such time;

or

(b) obtaining a general prior permission of the Relevant Competent Authority in terms of article 78(1) subparagraph 2 of the CRR for a specified period (which shall not exceed one year, but which may be renewed) and for a certain predetermined amount set by the Relevant Competent Authority, which amount shall not exceed 10% of the relevant amount of Bonds and shall not exceed 3% of the total amount of all outstanding Tier 2 instruments issued by the Bank, subject to criteria set by the Relevant Competent Authority that ensure that any such future action will be in accordance with one of the conditions set out in points (i) and (ii) of paragraph (a) above and provided that the Supervised Group and/or the Bank provides sufficient safeguards as to its capacity to operate with own funds above the amounts required in the CRR and the CRD.

5.12.2 The Bank and/or its subsidiaries may in terms of article 78(4) of the CRR, at any time prior to the fifth anniversary of the Issue Date, purchase Bonds in the open market or otherwise and at any price, subject to obtaining the prior permission of the Relevant Competent Authority, the satisfaction of the conditions set out in 5.12.1 above, and the satisfaction of one of the conditions set out in article 78(4) of the CRR.

5.12.3 Where the Bonds cease to qualify as Tier 2 instruments but instead qualify as Eligible Liabilities Instruments and the Bank may, in terms of article 77(2) of the CRR, purchase the Bonds in the open market or otherwise and at any price on any Early Redemption Date, subject to, where applicable, obtaining the prior permission of the Relevant Resolution Authority and the satisfaction of one of the conditions set out in article 78a(1) of the CRR.

5.12.4 All Bonds purchased by or on behalf of the Bank or its subsidiaries will be cancelled and may not be re-issued or re-sold. Any Bonds so surrendered for cancellation may not be reissued or resold and the obligations of the Bank in respect of any such Bonds shall be discharged.

5.13 Transferability

5.13.1 The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in accordance with all applicable laws and the rules and regulations of the MSE.

5.13.2 Any person becoming entitled to a Bond in consequence of the death or bankruptcy of a Bondholder may, upon such evidence being produced as may from time to time properly be required by the Bank or the CSD, elect either to be registered himself as holder of the Bond or to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the CSD a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing to that person a transfer of the Bond.

5.13.3 All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable laws and regulations.

5.13.4 The cost and expenses of effecting any trading or transfer in the Bonds on the MSE shall be at the charge of the Bondholder or at the charge of such person as the rules and regulations of the MSE may from time to time determine.

5.13.5 As the Bonds will be held at the CSD, investors will have to rely on its procedures for transfers. The CSD will not register the transfer or transmission of Bonds for a period of 15 days preceding the due date for any payment of principal or interest on the Bonds.

5.14 Further Issues

The Bank may from time to time, without the consent of the Bondholders, incur further debt or issue further bonds or other debt securities, either having the same terms and conditions as (and/or fungible with) any outstanding debt securities or upon such other terms and conditions as the Bank may determine at the time of their issue, including (but not limited to) bonds or other debt securities which are secured and/or have a prior ranking than the Bonds. Although the amount of

Bonds that may be issued under this Prospectus is limited to €30,000,000, there is no other restriction on the amount of debt that the Bank may incur (whether through the issuance of debt securities or otherwise). Accordingly, the Bank may incur additional indebtedness (other than the indebtedness incurred in relation to the issue of the Bonds), which indebtedness may be secured by the whole or any part of its present or future, undertaking, assets or revenues without, the consent of the Bondholders, and which could rank ahead of the Bonds in the event of a dissolution and winding up of the Bank.

5.15 Meetings of Bondholders

The Bank may, from time to time, call meetings of Bondholders for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which in terms of the Prospectus require the approval of a Bondholders' meeting, including *inter alia* to effect amendments to the Terms and Conditions. Meetings of Bondholders shall be summoned and conducted in the manner prescribed hereunder.

5.15.1 A meeting of Bondholders shall be called by the Board by giving all Bondholders listed on the register of Bondholders as at a date being not more than 30 days preceding the date scheduled for the meeting, not less than 14 days' notice in writing. Such notice shall set out the time, place and date set for the meeting and the matters to be discussed or decided thereat, including, if applicable, sufficient information on any amendment of these Terms and Conditions, and/or the Prospectus as the case may be, that is proposed to be voted upon at the meeting and seeking the approval of the Bondholders. Following a meeting of Bondholders held in accordance with the provisions contained hereunder, the Bank shall, acting in accordance with the resolution(s) taken at the meeting, communicate to the Bondholders whether the necessary consent to the proposal made by the Bank has been granted or withheld. Subject to having obtained the necessary approval by the Bondholders in accordance with the provisions of this section at a meeting called for that purpose as aforesaid, any such decision shall subsequently be given effect to by the Bank.

5.15.2 The amendment of any of the provisions of these Terms and Conditions may only be made with the approval of Bondholders at a meeting called and held for that purpose in accordance with the terms hereof.

5.15.3 In any case where the Bank is required, in terms of the CRR or applicable law, to notify or obtain the prior permission of (as the case may be) the ECB in respect of an amendment to the provisions of these Terms and Conditions then such amendment can only be undertaken subject to such prior notice being given or consent obtained.

5.15.4 Subject to the provisions of section 5.15.3 above, the Bank may amend the Terms and Conditions without the approval of the Bondholders if such amendment is of a formal, minor or technical nature or is made to correct a manifest error.

5.15.5 A meeting of Bondholders shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting. For this purpose, at least 2 Bondholders, in person or by proxy, representing not less than 50% in Nominal Value of the Bonds then outstanding, shall constitute a quorum. If a quorum is not present within 30 minutes from the time scheduled for the commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors to the Bondholders present at that meeting. The Bank shall, within 2 days from the date of the original meeting, publish by way of a company announcement the date, time and place where the adjourned meeting is to be held. An adjourned meeting shall be held not earlier than 7 days, and not later than 15 days, following the original meeting. At an adjourned meeting, the number of Bondholders present, in person or by proxy, shall constitute a quorum, and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.

5.15.6 Any person who in accordance with the Articles of Association of the Bank is to chair the annual general meetings of shareholders shall also chair meetings of Bondholders.

5.15.7 Once a quorum is declared present by the chairperson of the meeting, the meeting may then proceed to business and address the matters set out in the notice convening the meeting. In the event of decisions being required at the meeting the Directors or their representative shall present to the Bondholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time to Bondholders to present their views to the Bank, and the other Bondholders present at the meeting. The meeting shall then put the matter as proposed by the Bank to a vote of the Bondholders present at the time at which the vote is being taken, and any Bondholders taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.

5.15.8 The voting process shall be managed by the company secretary of the Bank under the supervision and scrutiny of the Bank's auditors.

5.15.9 The proposal placed before a meeting of Bondholders shall only be considered approved if at least 75% in Nominal Value of the Bonds held by the Bondholders present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.

5.15.10 Save for the above, the rules generally applicable to proceedings at general meetings of shareholders of the Bank shall apply *mutatis mutandis* to meetings of Bondholders.

5.16 Notices

Notices to Bondholders shall be mailed to them at their respective addresses contained in the CSD Register and/or sent by electronic mail to the electronic mail (email) address (if any) provided by the Bondholder and recorded in the CSD Register or otherwise notified to the Issuer or the Registrar. Any notice so mailed shall be deemed to have been served at the expiration of 3 calendar days after the date of mailing, and any notice sent by electronic mail shall be deemed to have been served on the date of transmission, provided that no notification of non-delivery is received by the sender. In proving such service, it shall be sufficient to prove that a prepaid letter containing such notice was properly addressed to such Bondholder at the address contained in the CSD Register or, as the case may be, that the electronic mail containing such notice was sent to the applicable electronic mail (email) address.

5.17 Taxation

Maltese tax legislation and/or the tax legislation of any other applicable jurisdiction (including the jurisdiction in which an investor or prospective investor is resident or subject to tax) may have a bearing on the income received from the Bonds. Investors and prospective investors should seek professional advice as regards Maltese and any foreign tax legislation which may apply upon or in connection with any acquisition, holding and disposal of Bonds – including income received from the Bonds.

6. DETAILS OF THE OFFER

6.1 Expected Timetable of the Bond Issue

Application Forms mailed to Existing Bondholders	3 September 2026
Existing Bondholder Offer Period	08:30 CEST on 7 September 2026 to 10:00 CEST on 25 September 2026
Intermediaries' Offer (if applicable) *	08:30 CEST on 28 September 2026 to 15:00 CEST on 30 September 2026
Announcement of basis of acceptance through a company announcement	6 October 2026
Refund of unallocated funds, if any	13 October 2026
Expected date of admission of the Bonds to the Official List	13 October 2026
Commencement of interest on the Bonds (and for the Existing Bondholders of EUR Bonds electing to subscribe for Bonds through the Exchange Offer and the Existing Bondholders of 2017 GBP Bonds, the relinquishment of the interest on their relevant Existing Bonds)	13 October 2026
Expected commencement date of trading in the Bonds	14 October 2026

* *In the event that the total value of Applications received from Existing Bondholders exceeds €30,000,000, the Intermediaries' Offer will not take place.*

6.2 General Terms and Conditions

The Bonds, up to a maximum aggregate principal amount of €30,000,000, are being issued at their Nominal Value (€100 per Bond). Application has been made to the MSE for the Bonds to be listed and traded on the Official List.

Applications by prospective investors, including Existing Bondholders participating in the Existing Bondholder Offers, shall be subject to a minimum subscription amount of €10,000 in Nominal Value of Bonds per Application and in multiples of €100 thereafter. It is the responsibility of each Authorised Intermediary to ensure that applications for subscription under nominee are subject to the minimum of €10,000 per underlying Applicant upon initial subscription.

The offer of the Bonds is conditional upon the Bonds being admitted to the Official List by no later than 13 October 2026.

The Intermediaries' Offer shall be made solely in respect of such Bonds, if any, as remain available following the allocation of Bonds to Existing Bondholders pursuant to the Existing Bondholder Offers, including applications for additional bonds by Existing Bondholders.

The Bond Issue is not underwritten. In the event that the Bond Issue is not fully subscribed, the Bank will, subject to the conditions set out in this section 6.2, proceed with the listing of the amount of Bonds subscribed for.

The Bank reserves the right to withdraw the offer of Bonds prior to the Issue Date for reasons beyond its control, such as extraordinary events, substantial change of the political, financial, economic, legal, monetary or market conditions at national or international level and/or adverse events regarding the financial or commercial position of the Bank and/or other relevant events that in the reasonable discretion of the Bank may be prejudicial to the offer. In any such event, any application monies received by or on behalf of the Bank will be returned without interest (through the Registrar and/or the Authorised Intermediaries, as applicable) by direct credit into the Applicant's bank account indicated by the Applicant in the relative Application within 5 working days from the date of withdrawal of the offer.

Dealings in the Bonds shall not commence prior to the Bonds being admitted to the Official List.

6.3 Terms and Conditions of Application

6.3.1 Applications for subscription to the Bonds should be made through the Authorised Intermediaries as listed in annex A. In the case of Existing Bondholders of EUR Bonds participating in the Exchange Offer, no cash payment shall be required in respect of the Bonds subscribed for by reference to their relevant holding of EUR Bonds. Applications by Existing Bondholders of GBP Bonds and any application for additional Bonds by Existing Bondholders shall be settled in euro and in cleared funds at the Issue Price. All other Applications for Bonds must be accompanied by the full price of the Bonds applied for in euro, and in cleared funds at the Issue

Price. In the event that any cheque accompanying an Application is not honoured on its first presentation, the Bank, Authorised Intermediaries and/or the Registrar reserve the right to invalidate the relative Application.

6.3.2 Applications shall, in all cases be subject to a minimum subscription amount of €10,000 in Nominal Value of Bonds (and in multiples of €100 thereafter) in relation to each underlying client to which an Application relates. For the purposes of an Existing Bondholder of EUR Bonds participating in the Exchange Offer, the applicable minimum subscription amount shall be €10,000 of EUR Bonds being tendered by way of Exchange Offer.

6.3.3 The contract created by the Bank's (or an Authorised Intermediary's) acceptance of an Application shall be subject to the terms and conditions set out in this Prospectus as well as the Terms and Conditions.

6.3.4 If the subscription is made on behalf of another person, legal or natural, the person making such subscription will be deemed to have bound that person and will be deemed also to have given the confirmations, warranties, and undertakings contained in these terms and conditions on their behalf. Such Applicant may be requested to submit the relative power of attorney/resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Registrar or the relevant Authorised Intermediary, as applicable.

6.3.5 In the case of joint Applicants, reference to the Bondholder in the Application and in this Prospectus is a reference to each Bondholder, and liability therefor is joint and several. In respect of a Bond held jointly by several persons, the joint holders shall nominate one of their numbers as their representative and his/her name will be entered in the CSD Register with such designation. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Bond so held. In the absence of such nomination and until such nomination is made, the person first named in the CSD Register in respect of such Bond shall, for all intents and purposes, be deemed to be the registered holder of the Bond so held.

6.3.6 In respect of a Bond held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the CSD Register. The usufructuary shall, for all intents and purposes, be deemed vis-à-vis the Bank to be the holder of the Bond so held and shall have the right to receive interest on the Bond and to vote at meetings of Bondholders, but shall not, during the continuance of the Bond, have the right to dispose of the Bond so held without the consent of the bare owner.

6.3.7 Applications in the name and for the benefit of minors shall be allowed, provided that the Applicant already holds an account with the MSE. Any Bonds held by minors shall be registered in the name of the minor as Bondholder, with interest and redemption monies payable to the parents/legal guardian/s until such time as the minor attains the age of 18 years, following which all interest and redemption monies shall be paid directly to the registered holder. This is provided that the Bank has been duly notified in writing of the fact that the minor has attained the age of 18 years.

6.3.8 Legal entities, including corporates or corporate entities or association of persons, applying for the Bonds need to have a Legal Entity Identifier ("**LEI**") which needs to be valid and unexpired, at least, until the admission to listing of the Bonds. Without a valid LEI, the application will be cancelled by the Registrar and/or the Authorised Intermediary (as applicable) and subscription monies will be returned to the Applicant.

6.3.9 No person receiving a copy of the Prospectus in any territory other than Malta may treat the same as constituting an invitation or offer to such person, unless, in the relevant territory, such an invitation or offer could lawfully be made to such person without contravention of any registration or other legal requirements. It is the responsibility of any person outside Malta wishing to subscribe for the Bonds to satisfy himself/herself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

6.3.10 It shall be incumbent on the respective Authorised Intermediaries to ascertain that all other applicable regulatory requirements relating to the subscription of the Bonds by an Applicant are complied with, including without limitation, the obligation to comply with all anti-money laundering and counter-terrorist financing rules and regulations, all applicable requirements of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as may be amended from time to time, as well as the applicable Conduct of Business Rulebook and MFSA rules for investment services providers.

6.3.11 For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations (Subsidiary Legislation 373.01 of the laws of Malta), as amended from time to time, all appointed Authorised Intermediaries are under a duty to communicate, upon request, all information about clients as is mentioned in articles 1.2(d) and 2.4 of the "*Members' Code of Conduct*" appended as Appendix 3.6 to Chapter 3 of the MSE Bye-Laws.

Furthermore, such information shall be held and controlled by the MSE in terms of the Data Protection Act and/or the GDPR, each as amended from time to time, for the purposes, and within the terms of the MSE's Data Protection Policy as published from time to time.

6.3.12 Subject to all other terms and conditions set out in this Prospectus, the Bank or the Registrar (acting on the Bank's behalf) reserves the right to reject, in whole or in part, or to scale down, any Application, for any reason whatsoever, including but not limited to, multiple or suspected multiple Applications or any Application which in the opinion of the Bank or the Registrar (acting on the Bank's behalf) is not properly completed in all respects in accordance with the instructions or is not accompanied by the required documents. Both original and electronic copies of Applications submitted to the Registrar by Authorised Intermediaries will be accepted, provided that it shall not be incumbent on the Bank or the Registrar to verify the signatures and signatories on any Application received.

6.3.13 By submitting a completed and signed Application, an Applicant:

(a) agrees and acknowledges to have had the opportunity to read the Prospectus and any other document entered into in relation to the Bond Issue, and to be deemed to have had notice of all information and representations concerning the Bank and the issue of the Bonds contained therein;

(b) acknowledges the processing of any personal data for the purposes specified in the privacy notice published by the Bank, which is available on the Bank's website at https://www.medirect.com.mt/privacy-notice/. The Applicant hereby acknowledges that the processing of personal data may validly take place, even without the Applicant's consent, in the circumstances set out in the GDPR and the Data Protection Act and any applicable subsidiary legislation, as may be amended from time to time. The Applicant hereby confirms that he/she/it has read the privacy notice;

(c) warrants that the information submitted by the Applicant when subscribing for the Bonds is true and correct in all respects. All Applicants must have a valid MSE account number that will be used for the purposes of registering the Bonds by the CSD. In the event of a discrepancy between the details provided by the Applicant and those held by the MSE in relation to the MSE account number indicated by the Applicant, the details held by the MSE shall be deemed to be the correct details of the Applicant;

(d) authorises the Bank (or its service providers, including the CSD and/or the Registrar) and/or the relevant Authorised Intermediary, as applicable, to process the personal data provided by the Applicant, for all purposes necessary and subsequent to the Bond Issue applied for, in accordance with the Data Protection Act and the GDPR. The Applicant has the right to request access to and rectification of the personal data relating to him/her in relation to the Bond Issue. Any such requests must be made in writing and addressed to the Bank and sent to the CSD at the MSE. The requests must be signed by the Applicant to whom the personal data relates;

(e) confirms that in making such application, no reliance was placed on any information or representation in relation to the Bank or the Bond Issue other than what is contained in this Prospectus and any other document entered into in relation to the Bond Issue and accordingly agree/s that no person responsible solely or jointly for this Prospectus and any other document entered into in relation to the Bond Issue, or any part thereof will have any liability for any such other information or representation;

(f) agrees that the registration advice and other documents and any monies returnable to the Applicant may be retained pending clearance of his/her remittance and any verification of identity as required by the PMLA, and that such monies will not bear interest;

(g) agrees to provide the Authorised Intermediary, Registrar and/or the Bank, as the case may be, with any information which it/they may request in connection with the application;

(h) warrants, in connection with the application, to have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with his/her application in any territory, and that the Applicant has not taken any action which will or may result in the Bank, Authorised Intermediary, or the Registrar, as applicable, acting in breach of the regulatory or legal requirements of any territory in connection with the Bond Issue and/or his/her application;

(i) warrants that all applicable exchange control or other such regulations (including those relating to external transactions) have been duly and fully complied with;

(j) represents that he/she is not a U.S. person (as such term is defined in 'Regulation S' under the Securities Act of 1933 of the US, as amended) as well as not to be accepting the invitation set out in the Prospectus from within the US, its territories or its possessions, or any area subject to its jurisdiction or on behalf or for the account of anyone within the US or anyone who is a U.S. person;

(k) agrees that the advisors to the Bank in relation to the Bond Issue will owe the Applicant no duties or responsibilities concerning the Bonds or their suitability for the Applicant;

(l) agrees that all documents in connection with the issue of the Bonds will be sent at the Applicant's own risk to the address indicated by the Applicant in its Application; and

(m) renounces to any rights the Applicant may have to set off any amounts the Applicant may at any time owe the Bank against any amount due under the terms of these Bonds.

6.4 Distribution to Retail Clients

The Bonds are complex investment products, including as a result of their subordination, callability and the potential resolution action which may be taken in respect thereof.

The Bonds are open for subscription to all categories of investors, including Existing Bondholders, provided that prospective investors (including Existing Bondholders) shall be subject to a Suitability Test to be performed as set out herein. An Authorised Intermediary may only distribute the Bonds to Retail Clients subject to a Suitability Test to be performed in respect of such Applicants. In such an event, an Authorised Intermediary shall not accept an Application from a Retail Client, including an Existing Bondholder Application Form from an Existing Bondholder, unless it is satisfied, based on the results of such Suitability Test, that an investment in the Bonds is suitable for the relevant Applicant.

A similar requirement exists in respect of acquisitions of Bonds on the secondary market whereby, investment services license holders must ensure that Bonds are only sold to Retail Clients if they are satisfied, based on the results of a Suitability Test, that an investment in the Bonds is suitable for the Retail Client.

The requirement to carry out a Suitability Test arises in terms of regulation 44A of the Recovery & Resolution Regulations and Rule 4.1.49 of the Conduct of Business Rulebook, and applies in all cases irrespective of the investment service being provided i.e. both for advisory and non-advisory investment services.

For the purpose of this Prospectus, the term "**Suitability Test**" means the process through which an Authorised Intermediary providing an investment service in relation to the subscription for the Bonds obtains such information from the Applicant as is necessary to enable the Authorised Intermediary to assess whether the Bonds are considered suitable for him/her in accordance with the Conduct of Business Rulebook. The information obtained pursuant to this assessment must be such as to enable the Authorised Intermediary to understand the essential facts about the Applicant and to have a reasonable basis for believing that the specific transaction satisfies the following criteria, it:

(a) meets the investment objectives (including risk tolerance) of the Applicant;

(b) is such that the Applicant is able financially to bear any related investment risks consistent with investment objectives of such Applicant; and

(c) is such that the Applicant has the necessary experience and knowledge in order to understand the risks involved in the transaction or in the management of his portfolio.

6.5 Plan of Distribution and Allotment

The Bonds will be distributed as follows:

(i) by means of the Existing Bondholder Offers pursuant to which (a) Existing Bondholders of EUR Bonds may elect to exchange all or part of their respective EUR Bonds for new Bonds to be issued pursuant to this Prospectus, and (b) Existing Bondholders of GBP Bonds may apply for Bonds for subscription in cash, in each case subject to a minimum subscription of €10,000 per Existing Bondholder;

(ii) in respect of any balance of new Bonds not subscribed to pursuant to (i) above, to Existing Bondholders applying for additional Bonds (for subscription in cash) pursuant to the Existing Bondholder Application Forms; and

(iii) in respect of any balance of new Bonds not subscribed by Existing Bondholders pursuant to (i) and (ii) above, by Authorised Intermediaries participating in the Intermediaries' Offer, subject to a minimum subscription amount of €10,000 per underlying applicant.

As set out in section 6.4 (*Distribution to Retail Clients*) above, any Application for Bonds by any prospective investor (including Existing Bondholders) that is a Retail Client shall be subject to a Suitability Test to be performed.

Existing Bondholders shall submit Existing Bondholder Application Forms to any one of the Authorised Intermediaries by no later than 10:00 CEST on 25 September 2026. Authorised Intermediaries shall be instructed not accept any application from any prospective investor being a Retail Client, including an Existing Bondholder Application Form from Existing Bondholders, unless it is satisfied, based on the results of such Suitability Test, that an investment in the Bonds is suitable for the relevant Applicant.

6.6 Description of the Application Process

6.6.1 Applications by Existing Bondholders of EUR Bonds

Existing Bondholders of EUR Bonds may participate in the Exchange Offer by electing to exchange all or part of their respective EUR Bonds for new Bonds, subject to a minimum subscription amount of €10,000 in Nominal Value of Bonds per Application.

The amount of Bonds for which an Existing Bondholder of EUR Bonds may subscribe pursuant to the Exchange Offer shall be determined by reference to the nominal value of the EUR Bonds which such Existing Bondholder wishes to exchange pursuant to the Exchange Offer. Accordingly, every €100 in nominal value of EUR Bonds exchanged pursuant to the Exchange Offer shall entitle the relevant Existing Bondholder to subscribe for one (1) new Bond to be issued pursuant to this Prospectus.

Existing Bondholders of EUR Bonds participating in the Exchange Offer and electing to exchange all of their respective EUR Bonds may also apply for additional Bonds in excess of the Bonds subscribed for by way of the Exchange Offer by completing the relevant section of the Exchange Offer Application Form. Applications for additional Bonds shall be settled in cash and may be made in multiples of €100.

Participation in the Exchange Offer and any application for additional Bonds by an Existing Bondholder of EUR Bonds who is a Retail Client shall be subject to the satisfaction of the Suitability Test carried out in the manner set out in section 6.4 (*Distribution to Retail Clients*) of this Prospectus. In all cases, applications shall be subject to availability and to the Bank's right to scale down such applications in accordance with section 6.7 (*Allocation Polic*y) below.

In terms of section 8.9.12 of the securities note of each of the 2017 Prospectus and the 2019 Prospectus, any EUR Bonds acquired by the Bank pursuant to the Exchange Offer shall be cancelled. Upon such cancellation, the obligations of the Bank in respect of the EUR Bonds so cancelled shall be extinguished, save for any accrued and unpaid interest payable in respect thereof in accordance with the provisions set out below.

By submitting an Exchange Offer Application Form, Existing Bondholders of EUR Bonds participating in the Exchange Offer shall be deemed to:

(i) irrevocably elect to transfer to the Bank on the Issue Date all or part of their EUR Bonds as specified in their Exchange Offer Application Form, or such portion thereof as may be accepted by the Bank following any applicable scaling down in accordance with section 6.7 (*Allocation Policy*); and

(ii) grant an irrevocable mandate to the Bank, by way of security for the due and punctual performance of such Existing Bondholder's obligations in connection with the Exchange Offer, to (subject to the Bank's right to scale down applications as further set out in section 6.7 (*Allocation Policy*) below:

   a. on the Issue Date, cause the transfer of all or part of their EUR Bonds, or such portion thereof as is accepted by the Bank, to the Bank in consideration for the issue and allocation of the corresponding number of new Bonds determined by reference to the nominal value of the EUR Bonds accepted for exchange; and

   b. engage, at the Bank's cost, the services of such brokers or intermediaries as may be necessary to fully and effectively vest title in the EUR Bonds in the Bank and fully and effectively vest title in the appropriate number of Bonds allocated to the relevant Existing Bondholder of EUR Bonds pursuant to the Exchange Offer.

As described in section 3.1 (*Use of Proceeds*) above, the Bank will redeem the Existing Bonds (which include the EUR Bonds) early, on 13 October 2026 (with respect to the 2017 EUR Bonds and the 2017 GBP Bonds), and on 5 November 2026 (with respect to the 2019 EUR Bonds and the 2019 GBP Bonds). Any portion of EUR Bonds which are tendered to the Bank by way of Exchange Offer which is not accepted by the Bank following any applicable scaling down, shall not be transferred to the Bank pursuant to the Exchange Offer and shall remain outstanding in accordance with the terms and conditions of the relevant EUR Bonds until the applicable early redemption date. Consequently, all EUR Bonds remaining outstanding on the relevant early redemption date will be redeemed in full in accordance with their terms.

Existing Bondholders of EUR Bonds that are allocated Bonds pursuant to the Exchange Offer, will receive all accrued and unpaid interest due in respect of their EUR Bonds due up to the Issue Date. Such payment shall be effected within 7 days of the Issue Date. The Bank shall not be responsible for any loss or delay in transmission.

Existing Bondholders of EUR Bonds who do not participate in the Exchange Offer as well as Existing Bondholders who participate only in respect of part of their EUR Bonds, will therefore receive repayment of the principal amount of their EUR Bonds then remaining outstanding in their name, together with any accrued and unpaid interest due up to the relevant early redemption date, in accordance with the terms and conditions of the relevant EUR Bonds.

6.6.2 Applications by Existing Bondholders of GBP Bonds

Given that the GBP Bonds are denominated in pound sterling and taking into account the allocation mechanics applicable to the Bond Issue (including the potential scaling down of applications as per section 6.7 (*Allocation Policy*) below), the Bank has determined not to extend the Exchange Offer to Existing Bondholders of GBP Bonds. Nevertheless, in recognition of the Bank's existing investor base, Existing Bondholders of GBP Bonds are being invited to subscribe for Bonds, for a cash consideration payable in euro, pursuant to the Priority Offer and in priority to the opening of the Intermediaries' Offer, if any.

The amount of Bonds for which an Existing Bondholder of GBP Bonds may subscribe pursuant to the Priority Offer may be determined by reference to the nominal value of the GBP Bonds held by such Existing Bondholder as at the Cut-Off Date. For the purposes of facilitating the application process, the Bank shall, in the pre-printed Priority Offer Application Form, indicate the euro value attributable to such Existing Bondholder's holding of GBP Bonds by reference to a foreign exchange rate determined by the Bank, and rounded down to the nearest €100, prior to the mailing of the Priority Offer Application Forms.

The euro value indicated in the Priority Offer Application Form is provided for guidance purposes only. Existing Bondholders of GBP Bonds are not required to apply for an amount corresponding to the euro value indicated in the pre-printed Priority Offer Application Form. Such Existing Bondholders may apply for an amount corresponding to a lower euro value, the same euro value or a greater euro value, subject in all cases (i) to a minimum subscription amount of €10,000 in Nominal Value of Bonds per Priority Offer Application Form and in multiples of €100 thereafter and (ii) for a cash consideration payable in euro. For the purposes of the allocation policy set out in section 6.7 (*Allocation Policy*), where an Existing Bondholder of GBP Bonds applies for a subscription amount which exceeds the euro value indicated in the relevant Priority Offer Application Form, the application shall, subject to any scaling down, be treated as an application pursuant to the Priority Offer up to the euro value indicated in such form, with any excess amount applied for being treated as an application for additional Bonds.

Participation in the Priority Offer by an Existing Bondholder of GBP Bonds who is a Retail Client shall be subject to the satisfaction of the Suitability Test carried out in the manner set out in section 6.4 (*Distribution to Retail Clients*) of this Prospectus. In all cases, applications shall be subject to availability and to the Bank's right to scale down such applications in accordance with section 6.7 (*Allocation Policy*) below.

By submitting a Priority Offer Application Form, an Existing Bondholder of GBP Bonds shall be deemed to apply for the number of Bonds specified in such application form and to undertake to pay the applicable Issue Price in euro in respect of the Bonds allocated to such Existing Bondholder pursuant to the Priority Offer. Therefore, Existing Bondholders of GBP Bonds whose principal currency is pound sterling (or a currency other than euro) should note that the amount payable to fund the relevant subscription may vary depending on the foreign exchange rate prevailing at the time of payment.

As described in section 3.1 (*Use of Proceeds*) above, the Bank will redeem the Existing Bonds (which include the GBP Bonds) early, on 13 October 2026 (with respect to the 2017 EUR Bonds and the 2017 GBP Bonds), and on 5 November 2026 (with respect to the 2019 EUR Bonds and the 2019 GBP Bonds). Participation in the Priority Offer shall not require the transfer of any GBP Bonds to the Bank and shall not affect the rights of Existing Bondholders of GBP Bonds under the terms and conditions of the relevant GBP Bonds. Accordingly, all GBP Bonds held by Existing Bondholders of GBP Bonds shall remain outstanding until the applicable early redemption date and shall be redeemed by the Bank in accordance with their terms and conditions on such date.

Existing Bondholders of GBP Bonds will therefore receive repayment of the principal amount of their GBP Bonds together with any accrued and unpaid interest due up to the relevant early redemption date (in pound sterling) in accordance with the terms and conditions of the relevant GBP Bonds.

6.6.3 Other terms common to all Existing Bondholders participating in the Existing Bondholder Offers

Any payment due to Existing Bondholders in respect of the Existing Bonds shall continue to be made to the bank account details held by the Bank in respect of the relevant Existing Bondholder and in accordance with the payment instructions currently recorded by the Bank.

It is the responsibility of Existing Bondholders to ascertain that all applicable legal, fiscal, and regulatory requirements relating to their participation in the Existing Bondholder Offers, and the consequent subscription to Bonds are complied with and to inform themselves as to the applicable requirements of so applying in the countries of their nationality, residence or domicile.

The attention of Overseas Existing Bondholders or any person who has a contractual or other legal obligation to forward this Prospectus, or other related document, into a jurisdiction other than Malta is drawn to the subheading titled '*Overseas Existing Bondholders and Excluded Territories*' below. As indicated below, this Issuance will not be made in the Excluded Territories.

The pre-printed Existing Bondholder Application Forms and accompanying documentation are expected to be mailed to Existing Bondholders at their registered addresses as set out in the CSD Register which for the purposes of this section 6.6.3 shall mean the register of Existing Bonds held and maintained by the CSD on behalf of the Bank, (as at the Cut-Off Date) by 3 September 2026 and shall be deemed to have been served upon all Existing Bondholders at the expiration of 48 hours after such mailing. Existing Bondholders shall return signed and completed the applicable Existing Bondholder Application Form to any of the Authorised Intermediaries during the Existing Bondholder Offer Period.

Joint Existing Bondholders

In the case of Existing Bonds held jointly by several Existing Bondholders as at Cut-Off Date, the Bank shall send the applicable Existing Bondholder Application Form to the person/s entered on the CSD Register or to the first person entered on the CSD Register. This person shall, for all intents and purposes be deemed, vis-a-vis the Bank, to be the Existing Bondholder. In the case of Existing Bonds held jointly by several Existing Bondholders, all joint Existing Bondholders are to sign the applicable Existing Bondholder Application Form.

Deceased persons

If the name appearing on the CSD Register as at the Cut-Off Date is that of a deceased Existing Bondholder or if an Existing Bondholder dies before the end of the expiry of the Existing Bondholder Offer Period and prior to having completed the relevant Existing Bondholder Application Form, the relevant Existing Bondholder Application Form must be signed by the lawful successors in title of the deceased Existing Bondholder. For this purpose, the successors in title of the deceased Existing Bondholder must contact the Bank within the Existing Bondholder Offer Period in order to determine the appropriate documentary proof that will need to be submitted to enable the Bank (and the Registrar) to verify their status as lawful successors of the deceased Existing Bondholder.

Existing Bonds subject to usufruct

In respect of Existing Bonds held subject to usufruct, the bare owner of the Existing Bonds shall be treated as the Existing Bondholder, and therefore the Bond Issue shall be made, and the relevant Existing Bondholder Application Form shall be issued, in the name of the bare owner, provided that any Bonds allotted pursuant to an acceptance by a bare owner shall be subject to the same right of usufruct enjoyed by the usufructuaries in respect of the Existing Bonds held by the bare owner as at the Cut-Off Date.

Overseas Existing Bondholders and Excluded Territories

The comments set out in this section are intended as a general guide only and any Existing Bondholder who is in doubt as to their position should consult their independent professional adviser without delay.

The offer of Bonds to persons resident in, or who are citizens of, or who have a registered address in, countries other than Malta may be affected by the law of the relevant jurisdiction. Those persons should consult their professional advisers (including tax consultants) as to whether they require any governmental or other consents or need to observe any other formalities to enable them to subscribe for Bonds.

Any person (including, without limitation, nominees and trustees) outside Malta wishing to participate in the Existing Bondholder Offers must satisfy himself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

Excluded Territories

Having considered the circumstances, the Board has formed the view that it is necessary and expedient to restrict the ability of persons in the Excluded Territories to subscribe for Bonds or otherwise participate in this issue of Bonds, including the Existing Bondholder Offers, due to the time and costs involved in the registration of this Prospectus, and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions. Accordingly, this Prospectus, the relevant Existing Bondholder Application Form, and/or any other related document (collectively, the "**Offer Documents**") will not be sent to Existing Bondholders with registered addresses in Excluded Territories, except where the Bank, in its absolute discretion, is satisfied that such action would not result in a contravention of any applicable legal or regulatory requirement in the relevant jurisdiction.

In these circumstances the relevant Existing Bondholders shall receive all principal and accrued interest due to them upon the early redemption of the Existing Bonds on 13 October 2026 and 5 November 2026, respectively in accordance with the 2017 Prospectus and/or the 2019 Prospectus, as set out in section 3.1 (*Use of Proceeds*) above.

No person receiving a copy of the Offer Documents in any Excluded Territory, may treat the same as constituting an invitation or offer to him, unless, in the relevant territory, such an invitation or offer could lawfully be made to him without contravention of any unfulfilled registration or other legal or regulatory requirements. The provisions of this section will apply generally to Overseas Existing Bondholders on the basis that such action would result in a contravention of applicable legal or regulatory requirements in the relevant jurisdiction.

United States of America and Canada

The Offer Documents are intended only for use in connection with this Bond Issue outside of the US and Canada and are not to be given or sent, in whole or in part, to any person within the US or Canada.

6.6.4 Intermediaries' Offer

The Intermediaries' Offer is conditional on, and subject to, the availability of Bonds following the allocation of Bonds to Existing Bondholders pursuant to (i) the Existing Bondholder Offers and (ii) the applications for additional Bonds for a subscription in cash, pursuant to the Existing Bondholder Offers. Any balance of the Bonds not subscribed to by Existing Bondholders shall be offered for subscription by Authorised Intermediaries participating in an Intermediaries' Offer.

The Bank shall enter into conditional subscription agreements with Authorised Intermediaries for the subscription of Bonds in virtue of the Intermediaries' Offer, whereby it will bind itself to allocate the Bonds to the Authorised Intermediaries in accordance with the terms of such subscription agreements.

In terms of each subscription agreement to be entered into with an Authorised Intermediary, the Bank will be conditionally bound to issue, and each Authorised Intermediary will be conditionally bound to subscribe for, such number of Bonds specified in the relevant subscription agreement, subject to approval by the MSE of the Bank's application for the Bonds to be admitted to listing and trading on the Official List as set out in section 6.2 (*General Terms and Conditions*) above.

Each subscription agreement will become binding on each of the Bank and the relevant Authorised Intermediary upon signing, subject to receipt by the Registrar of all subscription proceeds in cleared funds on the date specified in the signed subscription agreement.

The subscription for Bonds by prospective investors who qualify as Retail Clients through any of the Authorised Intermediaries during the Intermediaries' Offer shall be subject to:

(i) a Suitability Test to be performed as set out in section 6.4 (*Distribution to Retail Clients*) above; and

(ii) a minimum subscription amount of €10,000 in Nominal Value of Bonds (and in multiples of €100 thereafter) in relation to each underlying client.

Completed subscription agreements, together with evidence of payment, are to reach the Registrar by 15:00 p.m. CEST on 30 September 2026. The Bank, acting through the Registrar, shall communicate the amount allocated to each Authorised Intermediary under the relevant subscription agreement, in accordance with an allocation policy to be as determined by the Bank, by no later than close of business on 6 October 2026. Any amounts unallocated in terms of the subscription agreements shall be returned to the respective Authorised Intermediary by direct credit to the account indicated in the respective subscription agreement by latest close of business on 13 October 2026.

6.7 Allocation Policy

The Bank shall allocate the Bonds on the basis of the following policy and order of priority:

(i) to Existing Bondholders applying for Bonds by way of the Existing Bondholder Offers;

(ii) with respect to the balance of the Bonds not subscribed for by Existing Bondholders by means of the Existing Bondholder Offers, to Existing Bondholders who have applied for additional Bonds (for subscription in cash) in excess of their relevant holding of Existing Bonds; and

(iii) in the event that, following the allocations made pursuant to paragraphs (i) and (ii) above, there shall remain unallocated Bonds, to Authorised Intermediaries following an Intermediaries' Offer as detailed above.

In the event that the Bond Issue is subscribed for in full by Existing Bondholders in terms of paragraphs (i) and/or (ii) above, the Intermediaries' Offer shall not take place.

The Bank shall announce the result of the Bond Issue and the basis of acceptance of applications, together with the allocation policy to be adopted through a company announcement as per expected timetable of the Bond Issue set out in section 6.1 (*Expected Timetable of the Bond Issue*) above.

In the event that Applications submitted by Existing Bondholders pursuant to the Existing Bondholder Offers exceed the amount available for subscription pursuant to this Issuance (€30,000,000), the Bank will (and in turn, the Authorised Intermediaries will be required to) scale down Applications in accordance with the aforementioned allocation policy, in such manner as shall be determined by the Bank at its own discretion, subject in all cases to a minimum allocation of €10,000 in Nominal Value of Bonds for each Existing Bondholder.

In the event that an Existing Bondholder of EUR Bonds is not allocated Bonds corresponding to all his EUR Bonds tendered by way of Exchange Offer, or is allocated a lesser amount than that applied for pursuant to an Exchange Offer:

(i) the Existing Bondholders of 2017 EUR Bonds shall receive a cash payment in respect of those 2017 EUR Bonds which have not been applied towards the subscription of Bonds through the Exchange Offer but which will be subject to an early redemption by the Bank as set out in section 3.1 (Use of Proceeds) above; and

(ii) the Existing Bondholders of 2019 EUR Bonds shall retain their holding in the relevant 2019 EUR Bonds which shall remain outstanding in accordance with the terms and conditions of the relevant Existing Bonds until 05 November 2026, being the applicable early redemption date.

Furthermore, where Existing Bondholders of GBP Bonds have applied for Bonds pursuant to the Priority Offer and/or where Existing Bondholders (of EUR Bonds and/or GBP Bonds) have applied for additional Bonds with reference to their relevant holding of Existing Bonds (for subscription in cash) and such Application is scaled down or not satisfied in full, the subscription monies or part thereof, shall be returned by direct credit transfer to the relevant Existing Bondholder to the account number indicated in the relevant Existing Bondholder Application Form within 5 Business Days from the announcement of the allocation policy.

In the event that Applications submitted pursuant to the Intermediaries Offer exceed the amount available for subscription pursuant to this Issuance (€30,000,000), the Bank will (and, in turn, the Authorised Intermediaries will be required to) scale down Applications in accordance with the aforementioned allocation policy, in such manner as shall be determined by the Bank at its own discretion, subject in all cases to a minimum allocation of €10,000 in Nominal Value of Bonds per Applicant.

The registration advice and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the PMLA. Such monies will not bear interest while retained as aforesaid.

7. CORPORATE GOVERNANCE

7.1 The Board of Directors

The Memorandum of Association of the Bank provides that the administration and management of the Bank shall be vested in a Board of not less than 2 and not more than 11 Directors. Directors are appointed by means of an ordinary resolution taken in general meeting. As at the date of this Prospectus, the Board is composed of 8 Directors who are responsible for the overall direction, management and strategy of the Bank, each of whom is listed below:

Name & Surname	Designation
Mr Bart Bronselaer	Independent Chairman & non-executive director
Dr Stephen k/a Steve Agius	Independent non-executive director
Ms Izabela Banas	Group Chief Financial Officer & executive director
Mr Josef Holub	Non-executive director
Mr Martin Kubíček	Group Chief Risk Officer & executive director
Mr Jean-Claude Maher	Group Chief Executive Officer & executive director
Ms Dina Quraishi	Independent non-executive director
Mr John Zarb	Independent non-executive director

There are currently 2 appointments which are subject to regulatory approval, being that of Mr Chris Portelli as executive Director of the Bank and that of Ms Maria Micallef as independent non-executive Director. The Board currently consists of 3 executive Directors entrusted with the Bank's day-to-day management, and 5 non-executive Directors, 4 of whom are independent of the Bank. The business address of the Directors is that of the Bank. The curriculum vitae of each the Directors is set out in section 7.2 (*Curriculum Vitae of the Directors*) below.

The company secretary of the Bank is Ms Cressida Galea.

7.2 Curriculum Vitae of the Directors

Mr Bart Bronselaer (Chairman of the Board)

Committee Memberships: Audit Committee, Nominations and Remuneration Committee (Chairman)

Mr Bart Bronselaer has more than 30 years' experience in European financial services. He started his career with Merrill Lynch International in London, where he held various positions, the last as Managing Director and Head of Europe Debt Capital Markets.

Throughout his career, Mr Bronselaer has held various key roles. These include chairman of the board of directors and the portfolio management committee of Royal Park Investments (Brussels); non-executive director, member of the audit committee and chairman of the risk committee at Dexia N.V. (Brussels) and Dexia Credit Local (Paris) and chief executive officer ad interim and interim chairman of the management board within Dexia. He is currently a non-executive independent director of United Pensions OFP (Brussels). Since November 2024, he has served as Chairman of the Board as well as of the Parent, chairman of the Bank's Nomination and Remuneration Committee, and member of the Board of directors of MeDirect Belgium.

Mr Bronselaer holds a Master's degree in Industrial Sciences, a Master's degree in Computer Sciences and a Master's degree in Business Administration. He also completed the Risk Management in Banking executive education programme at INSEAD Business School and is currently participating in an Executive PhD Programme focused on advanced Artificial Intelligence techniques in Asset and Liability Management.

Dr Stephen k/a Steve Agius

Committee Memberships: Board Risk and Compliance Committee

Dr Stephen k/a Steve Agius is currently the Chief Executive Officer of Active Ageing and Community Care in Malta. He previously served as chief executive officer of Identità Malta. From 2020 to 2024, Dr Agius served as chief operating officer at Mater Dei Hospital, where he was responsible for coordinating Malta's national COVID-19 vaccination programme. He brings extensive leadership experience across healthcare, identity management, communications and ICT, together with strong governance and risk oversight credentials gained through his prior service as a non-executive director of Bank of Valletta plc. During his tenure at Bank of Valletta plc, he was a member of the audit committee and chairperson of the information technology oversight committee.

Dr Agius is also a Senior Visiting Lecturer at the University of Malta. He holds an Honours degree in Computing and Information Systems, an MBA in e-Business, and a PhD from the University of Malta in collaboration with Liverpool John Moores University, with a focus on the use of data in strategic decision-making.

Ms Izabela Banas

Committee Memberships: Executive Committee, Asset and Liability Committee, Operations Committee, Project Delivery Oversight Committee

Ms Izabela Banas has over 25 years of experience in finance, including 18 years in the financial services sector, and has held senior roles at international organisations. Her previous positions include chief financial officer at Bank of Valletta plc, and managing director and chief financial officer at HSBC Private Bank, EMEA, as well as senior finance roles at Credit Suisse, Willis Towers Watson and General Electric. Ms Banas is a Certified Six Sigma Black Belt / Certified Black Belt Project Leader.

Mr Josef Holub

Committee Memberships: Nominations and Remuneration Committee, Board Risk and Compliance Committee

Mr Josef Holub is a member of the supervisory board and of the Audit Committee of Banka CREDITAS. He previously served as Chief Financial Officer of Banka CREDITAS from January 2012 to March 2022 and as a member of its board of directors from January 2017 to March 2022. Before joining Banka CREDITAS, Mr Holub held senior finance and board roles at Aviva životní pojišťovna, a.s., the Czech life assurance subsidiary of the Aviva Group, including finance manager, chief financial officer / finance director and member of the board of directors. He is also a Chartered Certified Accountant and a Fellow of the Association of Chartered Certified Accountants (FCCA).

Mr Martin Kubíček

Committee Memberships: Executive Committee, Enterprise Risk Management Committee (Chairperson), Operations Committee, Asset and Liability Committee

Mr Martin Kubíček was appointed as Executive Director and Group Chief Risk Officer of the Bank in May 2026, following the acquisition of the Parent by Banka CREDITAS. He currently also serves as Chief Risk Officer and member of the board of directors of Banka CREDITAS, a role he has held since 2023. He brings over 19 years of experience in the banking sector, having held senior positions in Risk Management and IT Security. Throughout his career, he has led the implementation of integrated risk management frameworks and risk appetite structures, contributing to strengthened risk governance and strategic alignment across institutions.

Mr Jean-Claude Maher

Committee Memberships: Executive Committee (Chairman), Operations Committee, Asset and Liability Committee, Project Delivery Oversight Committee

Mr Jean-Claude Maher has more than 30 years of experience in Banking. He joined Deutsche Bank AG in 1994, where he held various roles in Research, Corporate Banking, Transaction Banking, Private Banking and Country Management.

Throughout his career, he held managerial positions on country, regional and global levels, including as country chief operating officer and branch manager of Deutsche Bank AG in Belgium. He joined MeDirect Belgium as chief operations officer in 2023 and in the course of 2024, his responsibilities were expanded to encompass the role of Chief Operating Officer for the Parent. In February 2025, he was appointed Chief Executive Officer and executive board member of the Parent and the Bank.

Mr Maher holds a Diploma in Economics and Political Sciences from the University of Cologne, Germany.

Ms Maria Micallef

Committee Memberships: N/A

Ms Maria Micallef has been appointed as an independent non-executive director of the Bank and its Parent. Her appointment is subject to regulatory approval as at the date of this Prospectus. She currently sits as an observer in the Audit Committee, Board Risk and Compliance Committee and the Nominations and Remuneration Committee.

She holds a Bachelor of Arts (Honours) in Accountancy from the University of Malta and is a Certified Public Accountant.

Ms Micallef has over 35 years of experience in business advisory services, corporate finance, mergers and acquisitions, governance, internal controls and fraud risk management. Her previous roles include serving as an independent non-executive director of HSBC Bank Malta p.l.c., where she chaired the audit committee and was a member of the remuneration and nomination committee. Ms Micallef was also the managing partner of RSM Malta. She is a fellow and former President of the Malta Institute of Accountants, and a member of the US Institute of Internal Auditors, and a member of the US Association of Certified Fraud Examiners. Ms Micallef also serves as an independent non-executive director of PG p.l.c. and a member of its audit committee.

Mr Chris Portelli

Committee Memberships: Operations Committee (Chairman), Executive Committee Project, Delivery Oversight Committee

Mr Chris Portelli has been working in the technology industry since 2002, specialising in the financial services and iGaming sectors. Mr Portelli began his career with CSL Data Centre in Malta, and has since held senior technology leadership roles with a number of international online gaming companies and financial institutions. His appointment to the Board is subject to regulatory approval as at the date of this Prospectus.

His role was both of an advisor and technical lead, designing and implementing technical architectures together with supporting new business requirements and challenges. Mr Portelli was also actively involved in the iGaming start-up community working with several start-ups to assist them setting up their digital channels and integrations with various providers.

Mr Portelli joined the Bank in 2018 and currently serves as Chief Technology Officer. He also served as a non-executive director and board adviser to Inia.AI, an artificial intelligence company focused on credit risk management and intelligent automation solutions for the financial services sector.

Ms Dina Quraishi

Committee Memberships: Audit Committee, Board Risk and Compliance Committee (Chairperson)

Ms Dina Quraishi has over 20 years of experience in risk management across a range of sectors, including payments, FinTech, engineering and financial services, and has held senior roles as a Chief Risk Officer and risk leader within international corporates including SWIFT, Sandvik, Zurich Insurance, Swiss Re. She is a partner at Solvo Partners and was a member of Malta's National Climate Action Council, an independent body advising the Government of Malta on climate change-related issues, from October 2024 to May 2026.

Mr John Zarb

Committee Memberships: Audit Committee (Chairman), Nominations and Remuneration Committee, Board Risk and Compliance Committee

Mr John Zarb has over 40 years of experience with PwC in Malta, where he served as a partner until his retirement in 2014. During his career with PwC, he gained considerable experience in auditing and financial consulting, served as the IFRS technical partner of the practice and subsequently led the firm's advisory practice.

Mr Zarb previously served as President of the Malta Institute of Accountants and as a member of the Accountancy Board, the regulatory body overseeing the accountancy profession in Malta. He also represented Malta on the EU Accounting Regulatory Committee. Mr Zarb holds a number of non-executive roles, including as chairman of the Mizzi Organisation and of a number of its subsidiaries and associates including Mizzi Motors Limited, the General Soft Drinks Company Limited and Mizzi Associated Enterprises Limited. He is also a director and member of the remuneration committee of Foster Clark Products Ltd, and a board member of Tumas Investments p.l.c. and Tumas Group Company Limited, where he chairs the remuneration committee and is a member of the audit and risk committees.

8. FINANCIAL INFORMATION

The historical financial information of the Bank is set out in the audited consolidated financial statements for the financial year ended 31 December 2025 and the condensed consolidated interim financial statements for the period commencing 1 January 2026 and ending 30 June 2026 of the Bank. For the purposes of its consolidated financial statements, the Bank consolidates MeDirect Belgium and MeDirect Tech. The Bank also consolidates certain controlled entities including Bastion 2021-1 NHG B.V., Bastion 2022-1 NHG B.V., and Bastion 2025-1 NHG B.V. each of which is a controlled special purpose entity established in the Netherlands as part of the Supervised Group's funding strategy, and Medifin Estates, a property leasing partnership.

The Bank's audited consolidated financial statements, and the auditors' report thereon, for the financial year ended 31 December 2025 shall be deemed to be incorporated by reference in, and form part of, this Prospectus. These financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and endorsed by the European Union.

The Bank's condensed consolidated unaudited interim financial statements for the period commencing 1 January 2026 and ending 30 June 2026 shall also be deemed to be incorporated by reference in, and form part of, this Prospectus. These financial statements, which have not been audited nor reviewed, have been prepared in accordance with IFRSs as adopted by the EU applicable to interim financial reporting (IAS 34 *'Interim Financial Reporting'*).

The Bank's audited financial statements and interim financial statements, each as referred to above, are available for inspection at the Bank's registered office and on the Bank's website (https://www.medirect.com.mt/about-us/investor-relations/) as set out in section 11 (*Documents available for inspection*) of this Prospectus.

As at the date of this Prospectus there has been no significant change in the financial position of the Bank since 30 June 2026 (being the end of the Bank's last financial period for which financial information has been published, which financial information also includes MeDirect Belgium, MeDirect Tech and certain controlled entities as set out above).

Key References

The following table provides a list of cross-references to specific items of information in the Bank's audited financial statements for the financial year 31 December 2025 and the unaudited interim financial statements for the period commencing 1 January 2026 and ending 30 June 2026, respectively.

	Page number in financial statements	
Information incorporated by reference in the Prospectus	**Financial year ended 31 December 2025 (audited)**	**6-month period ended 30 June 2026 (unaudited)**
Directors' Report	3 – 16	2 – 9
Statements of Financial Position	47	11
Statements of Comprehensive Income	48	12
Notes to the Financial Statements	51 – 194	15 – 34
Independent Auditors' Report	202 – 213	N/A

Key Financial Information

The below tables show the main consolidated financial information of the Bank which have been extracted from the audited consolidated annual financial statements of the Bank for the financial years ended 31 December 2024, and 31 December 2025 and from the consolidated unaudited interim financial statements of the Bank for the six-month periods ended 30 June 2025 and 30 June 2026.

The financial information presented below should be read in conjunction with the annual and half yearly reports incorporated by reference into this Prospectus.

Assets - € millions	**31-Dec-25**	**31-Dec-24**	**30-Jun-26**
Balances with central banks and cash	273	207	475
Investments and Derivatives	1,627	1,534	1,747
Loans and advances to banks	329	316	261
Loans and advances to customers	3,023	2,927	3,249
Other	86	88	87
Total assets	**5,338**	**5,072**	**5,819**

Liabilities & Equity - € millions	**31-Dec-25**	**31-Dec-24**	**30-Jun-26**
Amounts owed to banks	210	180	164
Amounts owed to customers	4,139	3,880	4,385
Debt securities in issue and subordinated liabilities	670	709	923
Other	38	55	41
Total liabilities	**5,057**	**4,824**	**5,513**
Equity	**281**	**248**	**306**

Income Statement - € millions	**31-Dec-25**	**31-Dec-24**	**30-Jun-26**	**30-Jun-25**
Interest income	155.5	194.7	76.8	80.2
Interest expense	(91.4)	(117.6)	(41.6)	(47.6)
Net fee and commission income	7.9	7.2	3.8	4.6
Other income	1.7	(0.1)	1.7	1.8
Trading profits	2.4	1.6	0.4	0.6
Operating income	**76.1**	**85.8**	**41.2**	**39.6**
Operating expenses	(79.4)	(71.5)	(38.6)	(41.2)
Net impairment charge	(2.8)	(19.3)	(0.3)	(2.3)
(Loss) / profit before tax	**(6.1)**	**(5.0)**	**2.4**	**(3.9)**
(Loss) / profit after tax	**(7.6)**	**(5.9)**	**2.0**	**(4.2)**

9. SHAREHOLDER AND OTHER INFORMATION

9.1 Major Shareholders

The Parent holds all of the issued Ordinary "A" shares of the Bank, save for one non-voting Ordinary "B" share held by FJV Management Limited (C 42279). To the extent known by the Bank, the Bank's beneficial owner is Ms Barbora Hubáčková who holds a 60% indirect and beneficial interest in the Bank via her holding in the Parent through Banka CREDITAS and CREDITAS B.V. (Dutch Registration number 76639371), respectively. Banka CREDITAS owns 100% of the shares of the Parent, whereas CREDITAS B.V owns 100% of Banka CREDITAS.

The Bank adopts governance measures in line with the Code and the Banking Act, together with any rules and regulations issued thereunder, designed to ensure that its relationship with Banka CREDITAS, CREDITAS B.V. and Ms Hubáčková is conducted on an arm's length basis and in the best interests of the Bank and its stakeholders. The Bank has established policies and procedures, and internal controls designed to identify, manage and, where necessary, mitigate actual or potential conflicts of interest and risks arising from transactions with related parties. Specifically, the MDB Group Related Party Transactions Policy sets out the specific arrangements for the proper management of potential conflicts of interest in relation to related party transactions undertaken by the Bank and the procedures for providing information on related party transactions to the Supervised Group`s risk committees, including procedures concerning: (i) the identification of related parties and related party transactions; (ii) ownership and maintenance of the related parties registry; (iii) pre-approval, approval, and ratification of related party transactions. Furthermore, the composition of the Board, including the current membership of 4 independent, non-executive Directors, contributes to effective oversight and to minimising the risk of undue influence or abuse of control by the Bank's controlling shareholder or the beneficial owner.

To the extent known by the Bank, there are no arrangements currently known to the Bank the operation of which may, at a subsequent date, result in a change in control of the Bank. The proposed merger by way of acquisition of the Parent by the Bank will not result in a change in control of the Bank, other than a change in its direct shareholding whereby Banka CREDITAS will become its direct majority shareholder.

9.2 Legal and Arbitration Proceedings

There have not been any governmental, legal or arbitration proceedings (including any such proceedings that are pending of which the Bank is aware) during the 12 months prior to the date of this Prospectus, which may have or have had significant effects on the Bank's financial position or profitability.

9.3 Conflicts of Interest

As at the date of this Prospectus, the Bank has identified and manages the following roles and circumstances which may give rise to conflicts of interest, including, in particular, the fact that the Bank is controlled by Banka CREDITAS and certain Directors of the Bank also hold positions within Banka CREDITAS and/or other entities within the Group, which may give rise to conflicts of interest in relation to, *inter alia*, intra-group financing arrangements, the allocation of business opportunities and the pricing of services or transactions between the Bank, Banka CREDITAS and other Group entities:

(i) Mr Josef Holub, due to the fact that he is a director of the Bank as well as a member of the supervisory board and of the audit committee of Banka CREDITAS;

(ii) Mr Martin Kubíček, due to the fact that he is a director of the Bank, Chief Risk Officer of the Parent, as well as Chief Risk Officer and member of the board of directors of Banka CREDITAS; and

(iii) Mr Bart Bronselaer, due to the fact that he is a director of the Bank and a director of MeDirect Belgium.

Save for the above, there are no other identified conflicts of interest between the duties of the Directors towards the Bank and/or the Group and their private interests and/or other duties. The Corporate Governance Code provides that the Directors' primary responsibility is always to act in the interest of the Bank and its shareholders as a whole, irrespective of which shareholder nominated him/her to the Board. Accordingly, a Director should avoid conflicts of interest at all times and the personal interests of a Director must never take precedence over those of the Bank and its shareholders.

This notwithstanding, actual or potential conflicts of interest may arise from time to time, in which case it needs to be ensured that these are managed properly by the Board and the interested Director. In such instances, actual or potential conflicts will be managed in the best interests of the Bank in accordance with the procedures set out in the Bank's conflicts of interest policy and the procedures set out in the Articles of Association. In this regard, Directors are required to inform the Board, and or the Audit Committee (as the case may be), of any matter that may result in a conflict of interest. A record of such declaration is entered into the Bank's Conflict of Interest Register and the said

Director is precluded from voting in any resolution concerning a matter in respect of which a direct or indirect material interest was declared or when it is necessary for the Director to be absent when the conflicting matter is discussed.

The Audit Committee of the Bank has the task of ensuring that any potential conflicts of interest that might arise pursuant to these different roles held by the Directors are handled in the best interest of the Bank and according to law. This responsibility is applicable across all Board and Board Committees whereby Committee members and delegates cannot participate in any decision or discussion where a perceived, potential or actual (direct or indirect) conflict of interest exists. Any conflict of interest must be declared at the start of the meeting (before a decision is taken), minuted and reported by the Company Secretary to the Compliance function.

The fact that the Audit Committee is constituted by a majority of independent, non-executive Directors, including the Chairperson of the Committee, provides an effective measure to ensure that related party transactions are entered into on an arms-length basis.

9.4 Material Contracts

The Bank has not entered into any material contract outside the ordinary course of its business, which could result in the Bank being under an obligation or an entitlement that is material to the Bank's ability to meet its obligations to Bondholders in respect of the Bonds.

10. INFORMATION ON CONSENT FOR USE OF PROSPECTUS

For the purposes of any application for Bonds in terms of this Prospectus, and any subsequent resale, placement or other offering of Bonds by Authorised Intermediaries (which, as defined, may also include the Bank) in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Regulation, the Bank consents to the use of this Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only:

(a) in respect of Bonds subscribed through Authorised Intermediaries pursuant to the Prospectus; and

(b) to any resale or placement of Bonds taking place in Malta within the period of 60 days from the date of the Prospectus.

There are no other conditions attached to the consent given by the Bank hereby which are relevant for the use of the Prospectus.

Neither the Bank, nor the Sponsor, or any of their respective advisors, takes any responsibility for any of the actions of any Authorised Intermediary, including their compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to a resale or placement of Bonds. It is solely the responsibility of the relevant Authorised Intermediary to ensure its compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to a resale or placement of Bonds.

Other than as set out above, neither the Bank nor the Sponsor have authorised (nor do they authorise or consent to the use of this Prospectus in connection with) the making of any public offer of the Bonds by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Bank or the Sponsor and neither the Bank nor the Sponsor has any responsibility or liability for the actions of any person making such offers.

Investors should enquire whether an intermediary is considered to be an Authorised Intermediary in terms of the Prospectus. If the investor is in doubt as to whether it can rely on the Prospectus and/or who is responsible for the contents thereof, it should obtain legal advice. No person has been authorised to give any information or to make any representation not contained in or inconsistent with this Prospectus or any other document entered into in relation to the issuance of the Bonds. If given or made, it must not be relied upon as having been authorised by the Bank or the Sponsor. The Bank does not accept responsibility for any information not contained in this Prospectus.

In the event of a resale, placement or other offering of Bonds by an Authorised Intermediary, the Authorised Intermediary will provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.

Any resale, placement or other offering of Bonds to an investor by an Authorised Intermediary will be made in accordance with any terms and other arrangements in place between such Authorised Intermediary and such investor including as to price, allocations and settlement arrangements. Where such information is not contained in the Prospectus, it will be the responsibility of the applicable Authorised Intermediary at the time of such resale, placement or other offering to provide the investor with that information and neither the Bank nor the Sponsor, has, or shall have, any responsibility or liability for such information.

Any Authorised Intermediary using this Prospectus in connection with a resale, placement or other offering of Bonds subsequent to a Bond Issue shall, limitedly for the period of 60 days from the date of the Prospectus, publish on its website a notice to the effect that it is using this Prospectus for such resale, placement or other offering in accordance with the consent of the Bank and the conditions attached thereto. The consent provided herein shall no longer apply following the lapse of such period.

Any new information with respect to any Authorised Intermediary unknown at the time of approval of this Prospectus will be made available through a company announcement published on the Bank's website (https://www.medirect.com.mt/about-us/investor-relations/) and on the Officially Appointed Mechanism hosted by the MSE (https://www.borzamalta.com.mt/officially-appointed-mechanism).

11. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents (or copies of the same) are available for physical inspection at the Bank's registered office and on the Bank's website (https://www.medirect.com.mt/) for the duration of the validity of the Prospectus:

(a) the Memorandum and Articles of Association;

(b) the audited consolidated financial information of the Bank for the financial year ended 31 December 2025 together with the auditor's report thereon; and

(c) the condensed consolidated interim financial statements for the period commencing 1 January 2026 and ending 30 June 2026 of the Bank.

ANNEX A: LIST OF AUTHORISED INTERMEDIARIES

Intermediary	Address	Contact Number
APS Bank p.l.c	APS Centre, Tower Street, Birkirkara BKR4012	21226644
Bank of Valletta p.l.c	Premium Banking Centre, 475, Triq il-Kbira San Guzepp, St Venera SVR 1011	22751732
Calamatta Cuschieri Investment Services Ltd	Ewropa Business Centre, Triq Dun Karm, Birkirkara, BKR 9034	25688688
CiliaFormosa Financial Advisors Ltd	CiliaFormosa Financial Advisors Ltd, Triq id-Delu, Mosta, MST 3355	22260200
Curmi & Partners Ltd	Finance House, Princess Elizabeth Street, Ta' Xbiex XBX 1102	21347331
FINCO Treasury Management Ltd	The Bastions Office No.2, Emvin Cremona Street, Floriana FRN 1281	21220002
Hogg Capital Investments Ltd	NuBis Centre, Mosta Road, Lija LJA 9012	21322872
Jesmond Mizzi Financial Advisors Ltd	67, Level 3, South Street, Valletta VLT 1105	21224410
MeDirect Bank Malta p.l.c	The Centre, Tigne` Point, Sliema TPO 0001	25574400
Michael Grech Financial Investment Services Ltd	The Brokerage, Level 0 A, St Marta Street, Victoria, VCT 2551	22587000
MZ Investment Services Ltd	63, St Rita Street, Rabat RBT 1523	21453739
Rizzo Farrugia & Co (Stockbrokers) Ltd	Airways House, Fourth Floor, High Street, Sliema SLM1551	22583000

ANNEX B: SPECIMEN EXCHANGE OFFER APPLICATION FORMS

me direct — my money, my choices, my bank	**MEDIRECT BANK (MALTA) P.L.C. €30,000,000 5.85% UNSECURED SUBORDINATED BONDS 2031-2036**	**EXCHANGE OFFER APPLICATION FORM 'A' 2017 EUR BONDS** APPLICATION NUMBER

Please read the notes overleaf before completing this Application Form. **Mark 'X' where applicable.**

A. APPLICANT *(see notes 2 to 7)*

		I.D. CARD / PASSPORT	MSE A/C NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
LEI *(for non-individual applicants)*		TEL. NO.	MOBILE NO.

☐ PLEASE REGISTER ME FOR E-PORTFOLIO *(mobile number is mandatory for e-portfolio registration)*

B. ADDITIONAL (JOINT) APPLICANTS *(see note 3)* *(please use Addendum to Application Form if space is not sufficient)*

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

C. DECISION MAKER / MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARIES
(see note 4, 7 & 8) (to be completed ONLY if applicable)

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

D. I/WE APPLY TO PURCHASE AND ACQUIRE – (see note 8)

This Application Form is not transferable and entitles you to a preferential treatment as holder of MeDirect Bank (Malta) p.l.c. 5% Unsecured Subordinated 2022 – 2027 EUR Bonds (the "**Existing Bonds**") and is to be submitted as a method of payment where you elect to apply for MeDirect Bank (Malta) p.l.c. 5.85% Unsecured Subordinated Bonds 2031-2036 (the "**Bond/s**"). You may transfer to the Issuer all or part of the holding in Existing Bonds, held by you as at 31 August 2026 (the "**Cut-Off Date**"), the nominal value of which is set out in Box 1 of Panel D hereunder. You may only elect to apply for Bonds in excess of the value of your Existing Bonds if you choose to transfer your entire holding of Existing Bonds to the Issuer.

By submitting this signed Application Form, you shall be deemed to:

(i) cause the transfer of the said Existing Bonds in the Issuer's name in consideration of the issue of Bonds; and

(ii) engage, at the Issuer's cost, the services of such brokers or intermediaries as may be necessary to fully and effectively vest title in the said Existing Bonds in the Issuer and fully and effectively vest title in the appropriate number of Bonds in the Applicant as applicable.

BOX 1 – Nominal Value of Existing Bonds (2017 EUR Bonds)	**BOX 1** AMOUNT IN FIGURES €
BOX 2 – I/We wish to purchase and acquire the amount set out in Box 2 Bonds at the Bond Issue Price (at par) (subject to a **minimum subscription of €10,000 and in multiples of €100** thereafter) pursuant to the Prospectus dated 31 August 2026 (the "**Prospectus**").	
AMOUNT IN WORDS	**BOX 2** AMOUNT IN FIGURES €
BOX 3 - Payment of Cash Top-Up. Value of Bonds applied for less the nominal holding in Existing Bonds payable in full upon Application under the Terms and Conditions of the Bond set out in the Prospectus. *(Difference payable on Application Box 2 minus Box 1)*	**BOX 3** AMOUNT IN FIGURES €
AMOUNT IN WORDS	

APPLICATION FORM 'A' *CONTINUED*

E. RESIDENT – FINAL WITHHOLDING TAX ("FWT") DECLARATION
(see notes 9 & 10) (to be completed ONLY if the Applicant is a resident of Malta)

☐ I/We elect to receive interest NET of FWT

☐ I/We elect to receive interest GROSS (i.e. without FWT)

F. NON-RESIDENT – DECLARATION FOR TAX PURPOSES *(see notes 2 & 10) (to be completed ONLY if the Applicant is a non-resident)*

TAX COUNTRY	CITY OF BIRTH
T.I.N. (Tax Identification Number)	COUNTRY OF BIRTH
☐ **NOT** resident in Malta but resident in the European Union	☐ **NOT** resident in Malta and **NOT** resident in the European Union

G. INTEREST, REFUND AND REDEMPTION MANDATE (see note 11) *(completion of this panel is **MANDATORY**)*

BANK	IBAN

I/We have fully understood the instructions for completing this Application Form, and am/are making this Application solely on the basis of the Prospectus, and subject to the Terms and Conditions of the Bonds as contained therein which I/we fully accept.

I/We hereby authorise the Authorised Financial Intermediary to forward the details to the Malta Stock Exchange for the purposes of registering the Bonds in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("**Transaction Reporting**"). Furthermore, I/We understand and acknowledge that the Authorised Financial Intermediary may require additional information for Transaction Reporting purposes and agree that such information will be provided.

CONFLICTS OF INTEREST - MeDirect Bank (Malta) p.l.c. acknowledges that, where it acts in its capacity of an Authorised Financial Intermediary, as issuer of the Bonds it has an interest in the offer being subscribed to by prospective investors. Applicants are requested to refer to section 2.4 of the Prospectus in this regard.

______________________________ ______________________________

Signature/s of Applicant/s **Date**

(Parent/s or legal guardian/s are/is to sign if Applicant is a minor)

(All parties are to sign in the case of a joint Application)

(Bare owner/s and usufructuary/ies to sign in the case of holdings that are subject to usufruct)

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP	AUTHORISED FINANCIAL INTERMEDIARY'S CODE	APPLICATION NUMBER

Notes on how to complete this Application and other information

The following notes are to be read in conjunction with the Prospectus dated 31 August 2026 regulating the Bond Issue

1. This Application is governed by the general Terms and Conditions of Application contained in section 6.3 and the description of the application process contained in section 6.6 of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.
2. The Application Form is to be completed in BLOCK LETTERS. For Applicants who are non-residents in Malta for tax purposes, the relative box in Panel F must be completed.
3. The MSE account number pertaining to the Applicant has been pre-printed in Panel A and reflects the MSE account number on the respective register held at the CSD as at the Cut-Off Date. If an MSE account pertains to more than one person (including husband and wife), the full details of all individuals must be given in Panels A and B **but the person whose name appears in Panel A shall, for all intents and purposes, be deemed to be the registered holder of the Bonds (vide note 6 below).**

   Upon submission of an Application, Applicants who opt to have an online e-portfolio facility (by marking the relative box in Panel A), will receive by mail at their registered address a handle code to activate the new e-portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application. The Bondholder's statement of holdings evidencing entitlement to Bonds held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on *https://eportfolio.borzamalta.com.mt/*. Further details on the e-portfolio may be found on *https://eportfolio.borzamalta.com.mt/Help*.
4. Applications in the name and for the benefit of minors shall be allowed provided that the applicant already holds an MSE account. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption proceeds payable to the parents or legal guardian/s signing the Application until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption proceeds shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. Panel C must be inserted with full details of the parents/legal guardians.
5. In the case of a body corporate, a valid Legal Entity Identifier ("**LEI**") needs to be inserted in Panel A. **Failure to include a valid LEI code, will result in the Application being cancelled by the Registrar**. Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.
6. **APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT NUMBER QUOTED ON THIS APPLICATION FORM EVEN IF THE DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE CSD OF THE MALTA STOCK EXCHANGE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF. A SEPARATE REQUEST BY THE APPLICANT TO CHANGE THESE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.**
7. Where a decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "**decision maker**") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be included in the space provided in Panel C of the Application.
8. Where an MSE account number is held subject to usufruct, Panel C needs to be completed and both the bare owner/s and the usufructuary/ies are to sign this Application.
9. Applications must be for a minimum subscription of €10,000 and thereafter in multiples of €100 and, where applicable, must be accompanied by the relevant subscription amount in Euro.

   In terms of section 6.4 of the Prospectus, where an Applicant, classified as a Retail Client, makes an application for the subscription of Bonds, Authorised Financial Intermediaries shall, prior to accepting such Application, conduct a Suitability Test in respect of the Applicant.
10. Only Applicants who hold a valid official Maltese Identity Card or companies registered in Malta will be treated as resident in Malta. In such case the Applicant may elect to have final withholding tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of final withholding tax) but will be obliged to declare interest so received in the tax return. The Issuer will render an account to the Maltese Commissioner for Revenue of all interest paid, all amounts of tax deducted by the payor in respect of the interest paid and of the identity of all such recipients. Interest received by non-resident Applicants is not taxable in Malta and non-residents will receive interest gross. Authorised entities applying in the name of a prescribed fund (having indicated their status in the appropriate box in Panel A) will have final withholding tax (currently 10%), deducted from interest payments.

    In terms of article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of "recipient", interest shall be paid to such person net of final withholding tax, (currently 15%) of the gross amount of interest, pursuant to article 33 of the Income Tax Act (Cap. 123 of the Laws of Malta).
11. Non-residents of Malta should note that payment of interest to individuals and certain residual entities residing in another EU Member State is reported on an annual basis to the Director General Inland Revenue, Malta, who will in turn exchange the information with the competent tax authority of the Member State where the recipient of interest is resident. This exchange of information takes place in terms of the Council Directive 2014/107/EU, of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.

    The contents of Notes 10 and 11 above do not constitute tax advice by the Issuer and Applicants are to consult their own independent tax advisors in case of doubt.
12. Interest and redemption proceeds will be credited to the account indicated in Panel G or as otherwise amended by the Bondholder/s during the term of the Bond.
13. The Existing Bondholder Offer Period will open at 08:30 hours CEST on 7 September 2026 and will close at 10:00 hours CEST on 25 September 2026. Completed Applications are to be lodged with any Authorised Intermediary listed in Annex A of the Prospectus during normal office hours. Remittances by post are made at the risk of the Applicant and the Authorised Intermediary, the Registrar and the Issuer disclaims all responsibility for any such remittances not being received by the date of closing of the Existing Bondholder Offer Period. If any Application is not accepted after the closure of the Existing Bondholder Offer Period or is accepted for fewer Bonds than those applied for, the monies equivalent to the number of Bonds not being accepted, if applicable, will be returned by direct credit into the IBAN specified in panel G.
14. By completing and delivering an Application you (as the Applicant(s)) acknowledge that:
    a. the Issuer or its duly appointed agents including the CSD and the Registrar, may process the personal data that you provide in the Application in accordance with the Data Protection Act (Cap. 586 of the Laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;
    b. the Issuer may process such personal data for all purposes necessary for and related to the Bonds applied for; and
    c. you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer.

    Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The Bonds are complex financial instruments and may not be suitable for all types of retail investors. A potential investor should not invest in the Bonds unless:

i. He/She has the necessary knowledge and experience to understand the risks relating to this type of financial instruments;

ii. The Bonds meet the investment objectives of the potential investor; and

iii. Such potential investor is able to bear the investment and financial risks which result from investment in the Bonds.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds on offer will be repayable in full upon redemption. An investor should consult an independent financial advisor, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.

ANNEX B: SPECIMEN EXCHANGE OFFER APPLICATION FORMS

me>direct my money, my choices, my bank	**MEDIRECT BANK (MALTA) P.L.C. €30,000,000 5.85% UNSECURED SUBORDINATED BONDS 2031-2036**	**EXCHANGE OFFER APPLICATION FORM 'B' 2019 EUR BONDS** APPLICATION NUMBER

Please read the notes overleaf before completing this Application Form. **Mark 'X' where applicable.**

A. APPLICANT *(see notes 2 to 7)*

		I.D. CARD / PASSPORT	MSE A/C NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
LEI *(for non-individual applicants)*		TEL. NO.	MOBILE NO.

☐ PLEASE REGISTER ME FOR E-PORTFOLIO *(mobile number is mandatory for e-portfolio registration)*

B. ADDITIONAL (JOINT) APPLICANTS *(see note 3)* *(please use Addendum to Application Form if space is not sufficient)*

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

C. DECISION MAKER / MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARIES
(see note 4, 7 & 8) (to be completed ONLY if applicable)

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

D. I/WE APPLY TO PURCHASE AND ACQUIRE – (see note 8)

This Application Form is not transferable and entitles you to a preferential treatment as holder of MeDirect Bank (Malta) p.l.c. 4% Unsecured Subordinated 2024 – 2029 EUR Bonds (the "**Existing Bonds**") and is to be submitted as a method of payment where you elect to apply for MeDirect Bank (Malta) p.l.c. 5.85% Unsecured Subordinated Bonds 2031-2036 (the "**Bond/s**"). You may transfer to the Issuer all or part of the holding in Existing Bonds, held by you as at 31 August 2026 (the "**Cut-Off Date**"), the nominal value of which is set out in Box 1 of Panel D hereunder. You may only elect to apply for Bonds in excess of the value of your Existing Bonds if you choose to transfer your entire holding of Existing Bonds to the Issuer.

By submitting this signed Application Form, you shall be deemed to:

(i) cause the transfer of the said Existing Bonds in the Issuer's name in consideration of the issue of Bonds; and

(ii) engage, at the Issuer's cost, the services of such brokers or intermediaries as may be necessary to fully and effectively vest title in the said Existing Bonds in the Issuer and fully and effectively vest title in the appropriate number of Bonds in the Applicant as applicable.

BOX 1 – Nominal Value of Existing Bonds (2019 EUR Bonds)	**BOX 1** AMOUNT IN FIGURES €

BOX 2 – I/We wish to purchase and acquire the amount set out in Box 2 Bonds at the Bond Issue Price (at par) (subject to a **minimum subscription of €10,000 and in multiples of €100** thereafter) pursuant to the Prospectus dated 31 August 2026 (the "**Prospectus**").

APPLICATION FORM 'B' ***CONTINUED***

E. RESIDENT – FINAL WITHHOLDING TAX ("FWT") DECLARATION
(see notes 9 & 10) (to be completed ONLY if the Applicant is a resident of Malta)

☐ I/We elect to receive interest NET of FWT ☐ I/We elect to receive interest GROSS (i.e. without FWT)

F. NON-RESIDENT – DECLARATION FOR TAX PURPOSES *(see notes 2 & 10) (to be completed ONLY if the Applicant is a non-resident)*

TAX COUNTRY	CITY OF BIRTH
T.I.N. (Tax Identification Number)	COUNTRY OF BIRTH
☐ **NOT** resident in Malta but resident in the European Union	☐ **NOT** resident in Malta and **NOT** resident in the European Union

G. INTEREST, REFUND AND REDEMPTION MANDATE (see note 11) *(completion of this panel is* ***MANDATORY****)*

BANK	IBAN

I/We have fully understood the instructions for completing this Application Form, and am/are making this Application solely on the basis of the Prospectus, and subject to the Terms and Conditions of the Bonds as contained therein which I/we fully accept.

I/We hereby authorise the Authorised Financial Intermediary to forward the details to the Malta Stock Exchange for the purposes of registering the Bonds in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("**Transaction Reporting**"). Furthermore, I/We understand and acknowledge that the Authorised Financial Intermediary may require additional information for Transaction Reporting purposes and agree that such information will be provided.

CONFLICTS OF INTEREST - MeDirect Bank (Malta) p.l.c. acknowledges that, where it acts in its capacity of an Authorised Financial Intermediary, as issuer of the Bonds it has an interest in the offer being subscribed to by prospective investors, Applicants are requested to refer to section 2.4 of the Prospectus in this regard.

________________________ ________________________

Signature/s of Applicant/s **Date**

(Parent/s or legal guardian/s are/is to sign if Applicant is a minor)

(All parties are to sign in the case of a joint Application)

(Bare owner/s and usufructuary/ies to sign in the case of holdings that are subject to usufruct)

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP	AUTHORISED FINANCIAL INTERMEDIARY'S CODE	APPLICATION NUMBER

Notes on how to complete this Application and other information

The following notes are to be read in conjunction with the Prospectus dated 31 August 2026 regulating the Bond Issue

1. This Application is governed by the general Terms and Conditions of Application contained in section 6.3 and the description of the application process contained in section 6.6 of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.

2. The Application Form is to be completed in BLOCK LETTERS. For Applicants who are non-residents in Malta for tax purposes, the relative box in Panel F must be completed.

3. The MSE account number pertaining to the Applicant has been pre-printed in Panel A and reflects the MSE account number on the respective register held at the CSD as at the Cut-Off Date. If an MSE account pertains to more than one person (including husband and wife), the full details of all individuals must be given in Panels A and B **but the person whose name appears in Panel A shall, for all intents and purposes, be deemed to be the registered holder of the Bonds (vide note 6 below).**

   Upon submission of an Application, Applicants who opt to have an online e-portfolio facility (by marking the relative box in Panel A), will receive by mail at their registered address a handle code to activate the new e-portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application. The Bondholder's statement of holdings evidencing entitlement to Bonds held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on *https://eportfolio.borzamalta.com.mt/*. Further details on the e-portfolio may be found on *https://eportfolio.borzamalta.com.mt/Help*.

4. Applications in the name and for the benefit of minors shall be allowed provided that the applicant already holds an MSE account. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption proceeds payable to the parents or legal guardian/s signing the Application until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption proceeds shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. Panel C must be inserted with full details of the parents/legal guardians.

5. In the case of a body corporate, a valid Legal Entity Identifier ("**LEI**") needs to be inserted in Panel A. **Failure to include a valid LEI code, will result in the Application being cancelled by the Registrar**. Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.

6. **APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT NUMBER QUOTED ON THIS APPLICATION FORM EVEN IF THE DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE CSD OF THE MALTA STOCK EXCHANGE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF. A SEPARATE REQUEST BY THE APPLICANT TO CHANGE THESE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.**

7. Where a decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "**decision maker**") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be included in the space provided in Panel C of the Application.

8. Where an MSE account number is held subject to usufruct, Panel C needs to be completed and both the bare owner/s and the usufructuary/ies are to sign this Application.

9. Applications must be for a minimum subscription of €10,000 and thereafter in multiples of €100 and, where applicable, must be accompanied by the relevant subscription amount in Euro.

   In terms of section 6.4 of the Prospectus, where an Applicant, classified as a Retail Client, makes an application for the subscription of Bonds, Authorised Financial Intermediaries shall, prior to accepting such Application, conduct a Suitability Test in respect of the Applicant.

10. Only Applicants who hold a valid official Maltese Identity Card or companies registered in Malta will be treated as resident in Malta. In such case the Applicant may elect to have final withholding tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of final withholding tax) but will be obliged to declare interest so received in the tax return. The Issuer will render an account to the Maltese Commissioner for Revenue of all interest paid, all amounts of tax deducted by the payor in respect of the interest paid and of the identity of all such recipients. Interest received by non-resident Applicants is not taxable in Malta and non-residents will receive interest gross. Authorised entities applying in the name of a prescribed fund (having indicated their status in the appropriate box in Panel A) will have final withholding tax (currently 10%), deducted from interest payments.

    In terms of article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of "recipient", interest shall be paid to such person net of final withholding tax, (currently 15%) of the gross amount of interest, pursuant to article 33 of the Income Tax Act (Cap. 123 of the Laws of Malta).

11. Non-residents of Malta should note that payment of interest to individuals and certain residual entities residing in another EU Member State is reported on an annual basis to the Director General Inland Revenue, Malta, who will in turn exchange the information with the competent tax authority of the Member State where the recipient of interest is resident. This exchange of information takes place in terms of the Council Directive 2014/107/EU, of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.

    The contents of Notes 10 and 11 above do not constitute tax advice by the Issuer and Applicants are to consult their own independent tax advisors in case of doubt.

12. Interest and redemption proceeds will be credited to the account indicated in Panel G or as otherwise amended by the Bondholder/s during the term of the Bond.

13. The Offer Period will open at 08:30 hours CEST on 7 September 2026 and will close at 10:00 hours CEST on 25 September 2026. Completed Applications are to be lodged with any Authorised Intermediary listed in Annex A of the Prospectus during normal office hours. Remittances by post are made at the risk of the Applicant and the Authorised Intermediary, the Registrar and the Issuer disclaims all responsibility for any such remittances not being received by the date of closing of the Existing Bondholder Offer Period. If any Application is not accepted after the closure of the Existing Bondholder Offer Period or is accepted for fewer Bonds than those applied for, the monies equivalent to the number of Bonds not being accepted, if applicable, will be returned by direct credit into the IBAN specified in panel G.

14. By completing and delivering an Application you (as the Applicant(s)) acknowledge that:

    a. the Issuer or its duly appointed agents including the CSD and the Registrar, may process the personal data that you provide in the Application in accordance with the Data Protection Act (Cap. 586 of the Laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;

    b. the Issuer may process such personal data for all purposes necessary for and related to the Bonds applied for; and

    c. you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer.

    Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The Bonds are complex financial instruments and may not be suitable for all types of retail investors. A potential investor should not invest in the Bonds unless:

i. He/She has the necessary knowledge and experience to understand the risks relating to this type of financial instruments;

ii. The Bonds meet the investment objectives of the potential investor; and

ANNEX C: SPECIMEN PRIORITY OFFER APPLICATION FORMS

medirect my money, my choices, my bank	**MEDIRECT BANK (MALTA) P.L.C. €30,000,000 5.85% UNSECURED SUBORDINATED BONDS 2031-2036**	**PRIORITY OFFER APPLICATION FORM 'C' 2017 GBP BONDS**
		APPLICATION NUMBER

Please read the notes overleaf before completing this Application Form. **Mark 'X' where applicable.**

A. APPLICANT *(see notes 2 to 7)*

		I.D. CARD / PASSPORT	MSE A/C NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
LEI *(for non-individual applicants)*		TEL. NO.	MOBILE NO.

☐ PLEASE REGISTER ME FOR E-PORTFOLIO *(mobile number is mandatory for e-portfolio registration)*

B. ADDITIONAL (JOINT) APPLICANTS *(see note 3)* *(please use Addendum to Application Form if space is not sufficient)*

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

C. DECISION MAKER / MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARIES
(see note 4, 7 & 8) (to be completed ONLY if applicable)

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

D. I/WE APPLY TO PURCHASE AND ACQUIRE – (see note 8)

This Application is not transferable and entitles you to a preferential treatment as holder of MeDirect Bank (Malta) p.l.c. 5% Unsecured Subordinated 2022 – 2027 GBP Bonds (the "**Existing Bonds**"). You may apply for **MeDirect Bank (Malta) p.l.c. 5.85% Unsecured Subordinated Bonds 2031-2036** (the "**Bond/s**") payable in full upon application under the Terms and Conditions of Application as set out in the Prospectus dated 31 August 2026 (the "**Prospectus**").

BOX 1 – Nominal Value of Existing Bonds (2017 GBP Bonds)	**BOX 1** AMOUNT IN FIGURES £
BOX 2 – Nominal Value of Existing Bonds converted to the equivalent value in euro at the pre-determined exchange rate of £0.86:€1.00 and rounded down to the nearest €100.	**BOX 2** AMOUNT IN FIGURES €

BOX 3 – I/We wish to purchase and acquire the amount set out in Box 3 in nominal value of Bonds at the Bond Issue Price (at par) (subject to a **minimum subscription of €10,000** and in **multiples of €100** thereafter) pursuant to the Prospectus.

AMOUNT IN WORDS	**BOX 3** AMOUNT IN FIGURES €

SPECIMEN

APPLICATION FORM 'C' ***CONTINUED***

E. RESIDENT – FINAL WITHHOLDING TAX ("FWT") DECLARATION

(see notes 9 & 10) (to be completed ONLY if the Applicant is a resident of Malta)

☐ I/We elect to receive interest NET of FWT

☐ I/We elect to receive interest GROSS (i.e. without FWT)

F. NON-RESIDENT – DECLARATION FOR TAX PURPOSES *(see notes 2 & 10) (to be completed ONLY if the Applicant is a non-resident)*

TAX COUNTRY	CITY OF BIRTH
T.I.N. (Tax Identification Number)	COUNTRY OF BIRTH
☐ **NOT** resident in Malta but resident in the European Union	☐ **NOT** resident in Malta and **NOT** resident in the European Union

G. INTEREST, REFUND AND REDEMPTION MANDATE (see note 11) *(completion of this panel is* ***MANDATORY****)*

BANK	IBAN

I/We have fully understood the instructions for completing this Application, and am/are making this Application solely on the basis of the Prospectus, and subject to the Terms and Conditions of the Bonds as contained therein which I/we fully accept.

I/We hereby authorise the Authorised Financial Intermediary to forward the details to the Malta Stock Exchange for the purposes of registering the Bonds in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("**Transaction Reporting**"). Furthermore, I/We understand and acknowledge that the Authorised Financial Intermediary may require additional information for Transaction Reporting purposes and agree that such information will be provided.

CONFLICTS OF INTEREST – MeDirect Bank (Malta) p.l.c. acknowledges that, where it acts in its capacity of an Authorised Financial Intermediary, as issuer of the Bonds it has an interest in the offer being subscribed to by prospective investors. Applicants are requested to refer to section 2.4 of the Prospectus in this regard.

____________________________   ____________________________

Signature/s of Applicant/s   **Date**

(Parent/s or legal guardian/s are/is to sign if Applicant is a minor)

(All parties are to sign in the case of a joint Application)

(Bare owner/s and usufructuary/ies to sign in the case of holdings that are subject to usufruct)

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP	AUTHORISED FINANCIAL INTERMEDIARY'S CODE	APPLICATION NUMBER

Notes on how to complete this Application and other information

The following notes are to be read in conjunction with the Prospectus dated 31 August 2026 regulating the Bond Issue

1. This Application is governed by the general Terms and Conditions of Application contained in section 6.3 and the description of the application process contained in section 6.6 of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.

2. The Application Form is to be completed in BLOCK LETTERS. For Applicants who are non-residents in Malta for tax purposes, the relative box in Panel F must be completed.

3. The MSE account number pertaining to the Applicant has been pre-printed in Panel A and reflects the MSE account number on the respective register held at the CSD as at the Cut-Off Date. If an MSE account pertains to more than one person (including husband and wife), the full details of all individuals must be given in Panels A and B **but the person whose name appears in Panel A shall, for all intents and purposes, be deemed to be the registered holder of the Bonds (vide note 6 below).**

   Upon submission of an Application, Applicants who opt to have an online e-portfolio facility (by marking the relative box in Panel A), will receive by mail at their registered address a handle code to activate the new e-portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application. The Bondholder's statement of holdings evidencing entitlement to Bonds held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on *https://eportfolio.borzamalta.com.mt/*. Further details on the e-portfolio may be found on *https://eportfolio.borzamalta.com.mt/Help*.

4. Applications in the name and for the benefit of minors shall be allowed provided that the applicant already holds an MSE account. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption proceeds payable to the parents or legal guardian/s signing the Application until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption proceeds shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. Panel C must be inserted with full details of the parents/legal guardians.

5. In the case of a body corporate, a valid Legal Entity Identifier ("**LEI**") needs to be inserted in Panel A. **Failure to include a valid LEI code, will result in the Application being cancelled by the Registrar**. Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.

6. **APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT NUMBER QUOTED ON THIS APPLICATION FORM EVEN IF THE DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE CSD OF THE MALTA STOCK EXCHANGE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF. A SEPARATE REQUEST BY THE APPLICANT TO CHANGE THESE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.**

7. Where a decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "**decision maker**") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be included in the space provided in Panel C of the Application.

8. Where an MSE account number is held subject to usufruct, Panel C needs to be completed and both the bare owner/s and the usufructuary/ies are to sign this Application.

9. Applications must be for a minimum subscription of €10,000 and thereafter in multiples of €100 and must be accompanied by the relevant subscription amount in Euro.

   In terms of section 6.4 of the Prospectus, where an Applicant, classified as a Retail Client, makes an application for the subscription of Bonds, Authorised Financial Intermediaries shall, prior to accepting such Application, conduct a Suitability Test in respect of the Applicant.

10. Only Applicants who hold a valid official Maltese Identity Card or companies registered in Malta will be treated as resident in Malta. In such case the Applicant may elect to have final withholding tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of final withholding tax) but will be obliged to declare interest so received in the tax return. The Issuer will render an account to the Maltese Commissioner for Revenue of all interest paid, all amounts of tax deducted by the payor in respect of the interest paid and of the identity of all such recipients. Interest received by non-resident Applicants is not taxable in Malta and non-residents will receive interest gross. Authorised entities applying in the name of a prescribed fund (having indicated their status in the appropriate box in Panel A) will have final withholding tax (currently 10%), deducted from interest payments.

    In terms of article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of "recipient", interest shall be paid to such person net of final withholding tax, (currently 15%) of the gross amount of interest, pursuant to article 33 of the Income Tax Act (Cap. 123 of the Laws of Malta).

11. Non-residents of Malta should note that payment of interest to individuals and certain residual entities residing in another EU Member State is reported on an annual basis to the Director General Inland Revenue, Malta, who will in turn exchange the information with the competent tax authority of the Member State where the recipient of interest is resident. This exchange of information takes place in terms of the Council Directive 2014/107/EU, of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.

    The contents of Notes 10 and 11 above do not constitute tax advice by the Issuer and Applicants are to consult their own independent tax advisors in case of doubt.

12. Interest and redemption proceeds will be credited to the account indicated in Panel G or as otherwise amended by the Bondholder/s during the term of the Bond.

13. The Existing Bondholder Offer Period will open at 08:30 hours CEST on 7 September 2026 and will close at 10:00 hours CEST on 25 September 2026. Completed Applications are to be lodged with any Authorised Intermediary listed in Annex A of the Prospectus during normal office hours. Remittances by post are made at the risk of the Applicant and the Authorised Intermediary, the Registrar and the Issuer disclaims all responsibility for any such remittances not being received by the date of closing of the Existing Bondholder Offer Period. If any Application is not accepted after the closure of the Existing Bondholder Offer Period or is accepted for fewer Bonds than those applied for, the monies equivalent to the number of Bonds not being accepted will be returned by direct credit into the IBAN specified in panel G.

14. By completing and delivering an Application you (as the Applicant(s)) acknowledge that:

    a. the Issuer or its duly appointed agents including the CSD and the Registrar, may process the personal data that you provide in the Application in accordance with the Data Protection Act (Cap. 586 of the Laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;

    b. the Issuer may process such personal data for all purposes necessary for and related to the Bonds applied for; and

    c. you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer.

    Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The Bonds are complex financial instruments and may not be suitable for all types of retail investors. A potential investor should not invest in the Bonds unless:

i. He/She has the necessary knowledge and experience to understand the risks relating to this type of financial instruments;

ii. The Bonds meet the investment objectives of the potential investor; and

iii. Such potential investor is able to bear the investment and financial risks which result from investment in the Bonds.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds on offer will be repayable in full upon redemption. An investor should consult an independent financial advisor, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.

ANNEX C: SPECIMEN PRIORITY OFFER APPLICATION FORMS

me direct my money, my choices, my bank	**MEDIRECT BANK (MALTA) P.L.C. €30,000,000 5.85% UNSECURED SUBORDINATED BONDS 2031-2036**	**PRIORITY OFFER APPLICATION FORM 'D' 2019 GBP BONDS** APPLICATION NUMBER

Please read the notes overleaf before completing this Application Form. **Mark 'X' where applicable.**

A. APPLICANT *(see notes 2 to 7)*

		I.D. CARD / PASSPORT	MSE A/C NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
LEI *(for non-individual applicants)*		TEL. NO.	MOBILE NO.

☐ PLEASE REGISTER ME FOR E-PORTFOLIO *(mobile number is mandatory for e-portfolio registration)*

B. ADDITIONAL (JOINT) APPLICANTS *(see note 3)* *(please use Addendum to Application Form if space is not sufficient)*

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

C. DECISION MAKER / MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARIES
(see note 4, 7 & 8) (to be completed ONLY if applicable)

TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
TITLE (Mr/Mrs/Ms)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

D. I/WE APPLY TO PURCHASE AND ACQUIRE – (see note 8)

This Application is not transferable and entitles you to a preferential treatment as holder of MeDirect Bank (Malta) p.l.c. 4% Unsecured Subordinated 2024 – 2029 GBP Bonds (the "**Existing Bonds**"). You may apply for **MeDirect Bank (Malta) p.l.c. 5.85% Unsecured Subordinated Bonds 2031-2036** (the "**Bond/s**") payable in full upon application under the Terms and Conditions of Application as set out in the Prospectus dated 31 August 2026 (the "**Prospectus**").

BOX 1 – Nominal Value of Existing Bonds (2019 GBP Bonds)	**BOX 1** AMOUNT IN FIGURES £
BOX 2 – Nominal Value of Existing Bonds converted to the equivalent value in euro at the pre-determined exchange rate of £0.86:€1.00 and rounded down to the nearest €100.	**BOX 2** AMOUNT IN FIGURES €

BOX 3 – I/We wish to purchase and acquire the amount set out in Box 3 in nominal value of Bonds at the Bond Issue Price (at par) (subject to a **minimum subscription of €10,000** and in **multiples of €100** thereafter) pursuant to the Prospectus.

AMOUNT IN WORDS	**BOX 3** AMOUNT IN FIGURES €

APPLICATION FORM 'D' ***CONTINUED***

E. RESIDENT – FINAL WITHHOLDING TAX ("FWT") DECLARATION

(see notes 9 & 10) (to be completed ONLY if the Applicant is a resident of Malta)

☐ I/We elect to receive interest NET of FWT	☐ I/We elect to receive interest GROSS (i.e. without FWT)

F. NON-RESIDENT – DECLARATION FOR TAX PURPOSES *(see notes 2 & 10) (to be completed ONLY if the Applicant is a non-resident)*

TAX COUNTRY	CITY OF BIRTH
T.I.N. (Tax Identification Number)	COUNTRY OF BIRTH
☐ **NOT** resident in Malta but resident in the European Union	☐ **NOT** resident in Malta and **NOT** resident in the European Union

G. INTEREST, REFUND AND REDEMPTION MANDATE (see note 11) *(completion of this panel is* ***MANDATORY****)*

BANK	IBAN

I/We have fully understood the instructions for completing this Application, and am/are making this Application solely on the basis of the Prospectus, and subject to the Terms and Conditions of the Bonds as contained therein which I/we fully accept.

I/We hereby authorise the Authorised Financial Intermediary to forward the details to the Malta Stock Exchange for the purposes of registering the Bonds in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("**Transaction Reporting**"). Furthermore, I/We understand and acknowledge that the Authorised Financial Intermediary may require additional information for Transaction Reporting purposes and agree that such information will be provided.

CONFLICTS OF INTEREST – MeDirect Bank (Malta) p.l.c. acknowledges that, where it acts in its capacity of an Authorised Financial Intermediary, as issuer of the Bonds it has an interest in the offer being subscribed to by prospective investors. Applicants are requested to refer to section 2.4 of the Prospectus in this regard.

______________________ ______________________

Signature/s of Applicant/s **Date**

(Parent/s or legal guardian/s are/is to sign if Applicant is a minor)

(All parties are to sign in the case of a joint Application)

(Bare owner/s and usufructuary/ies to sign in the case of holdings that are subject to usufruct)

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP	AUTHORISED FINANCIAL INTERMEDIARY'S CODE	APPLICATION NUMBER

Notes on how to complete this Application and other information

The following notes are to be read in conjunction with the Prospectus dated 31 August 2026 regulating the Bond Issue

1. This Application is governed by the general Terms and Conditions of Application contained in section 6.3 and the description of the application process contained in section 6.6 of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.
2. The Application Form is to be completed in BLOCK LETTERS. For Applicants who are non-residents in Malta for tax purposes, the relative box in Panel F must be completed.
3. The MSE account number pertaining to the Applicant has been pre-printed in Panel A and reflects the MSE account number on the respective register held at the CSD as at the Cut-Off Date. If an MSE account pertains to more than one person (including husband and wife), the full details of all individuals must be given in Panels A and B **but the person whose name appears in Panel A shall, for all intents and purposes, be deemed to be the registered holder of the Bonds (vide note 6 below).**

   Upon submission of an Application, Applicants who opt to have an online e-portfolio facility (by marking the relative box in Panel A), will receive by mail at their registered address a handle code to activate the new e-portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application. The Bondholder's statement of holdings evidencing entitlement to Bonds held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on *https://eportfolio.borzamalta.com.mt/*. Further details on the e-portfolio may be found on *https://eportfolio.borzamalta.com.mt/Help*.
4. Applications in the name and for the benefit of minors shall be allowed provided that the applicant already holds an MSE account. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption proceeds payable to the parents or legal guardian/s signing the Application until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption proceeds shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. Panel C must be inserted with full details of the parents/legal guardians.
5. In the case of a body corporate, a valid Legal Entity Identifier ("**LEI**") needs to be inserted in Panel A. **Failure to include a valid LEI code, will result in the Application being cancelled by the Registrar**. Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.
6. **APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT NUMBER QUOTED ON THIS APPLICATION FORM EVEN IF THE DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE CSD OF THE MALTA STOCK EXCHANGE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF. A SEPARATE REQUEST BY THE APPLICANT TO CHANGE THESE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.**
7. Where a decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "**decision maker**") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be included in the space provided in Panel C of the Application.
8. Where an MSE account number is held subject to usufruct, Panel C needs to be completed and both the bare owner/s and the usufructuary/ies are to sign this Application.
9. Applications must be for a minimum subscription of €10,000 and thereafter in multiples of €100 and must be accompanied by the relevant subscription amount in Euro.

   In terms of section 6.4 of the Prospectus, where an Applicant, classified as a Retail Client, makes an application for the subscription of Bonds, Authorised Financial Intermediaries shall, prior to accepting such Application, conduct a Suitability Test in respect of the Applicant.
10. Only Applicants who hold a valid official Maltese Identity Card or companies registered in Malta will be treated as resident in Malta. In such case the Applicant may elect to have final withholding tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of final withholding tax) but will be obliged to declare interest so received in the tax return. The Issuer will render an account to the Maltese Commissioner for Revenue of all interest paid, all amounts of tax deducted by the payor in respect of the interest paid and of the identity of all such recipients. Interest received by non-resident Applicants is not taxable in Malta and non-residents will receive interest gross. Authorised entities applying in the name of a prescribed fund (having indicated their status in the appropriate box in Panel A) will have final withholding tax (currently 10%), deducted from interest payments.

    In terms of article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of "recipient", interest shall be paid to such person net of final withholding tax, (currently 15%) of the gross amount of interest, pursuant to article 33 of the Income Tax Act (Cap. 123 of the Laws of Malta).
11. Non-residents of Malta should note that payment of interest to individuals and certain residual entities residing in another EU Member State is reported on an annual basis to the Director General Inland Revenue, Malta, who will in turn exchange the information with the competent tax authority of the Member State where the recipient of interest is resident. This exchange of information takes place in terms of the Council Directive 2014/107/EU, of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.

    The contents of Notes 10 and 11 above do not constitute tax advice by the Issuer and Applicants are to consult their own independent tax advisors in case of doubt.
12. Interest and redemption proceeds will be credited to the account indicated in Panel G or as otherwise amended by the Bondholder/s during the term of the Bond.
13. The Existing Bondholder Offer Period will open at 08:30 hours CEST on 7 September 2026 and will close at 10:00 hours CEST on 25 September 2026. Completed Applications are to be lodged with any Authorised Intermediary listed in Annex A of the Prospectus during normal office hours. Remittances by post are made at the risk of the Applicant and the Authorised Intermediary, the Registrar and the Issuer disclaims all responsibility for any such remittances not being received by the date of closing of the Existing Bondholder Offer Period. If any Application is not accepted after the closure of the Existing Bondholder Offer Period or is accepted for fewer Bonds than those applied for, the monies equivalent to the number of Bonds not being accepted will be returned by direct credit into the IBAN specified in panel G.
14. By completing and delivering an Application you (as the Applicant(s)) acknowledge that:

    a. the Issuer or its duly appointed agents including the CSD and the Registrar, may process the personal data that you provide in the Application in accordance with the Data Protection Act (Cap. 586 of the Laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;

    b. the Issuer may process such personal data for all purposes necessary for and related to the Bonds applied for; and

    c. you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer.

    Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The Bonds are complex financial instruments and may not be suitable for all types of retail investors. A potential investor should not invest in the Bonds unless:

i. He/She has the necessary knowledge and experience to understand the risks relating to this type of financial instruments;

ii. The Bonds meet the investment objectives of the potential investor; and