

COMPANY ANNOUNCEMENT

Publication of FIAU Enforcement Notice

Date of Announcement: 1 February 2023
Reference No: APSB38

The following is a Company Announcement issued by APS Bank plc (or the “Bank”) pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

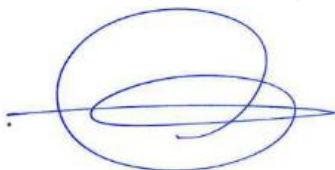
Quote

APS Bank plc refers to the publication of the Enforcement Notice issued today by the Financial Intelligence Analysis Unit (FIAU), concluding the compliance examination carried out on the Bank in 2020. The Enforcement Notice includes an administrative penalty of €228,706. The Bank has taken note of the findings, which largely relate to legacy matters, and is satisfied that the outcome also reflects the significant remediation that has been taking place over the past years. While noting also that the administrative penalty has no material impact on its financial performance, the Bank informs that it will not be lodging an appeal to the Notice or penalty.

The Bank is fully committed to the highest standards of operational integrity and regulatory compliance, and is a key player in the fight against financial crime. Over the past years, the Bank has increased its investment in resources and technology to enhance and increase the effectiveness of its financial crime compliance framework, which had already commenced before the 2020 examination took place. The Bank appreciates that its proactiveness in carrying out the necessary remedial actions and its commitment to enhance its processes and controls, have also been commended by the FIAU in the Enforcement Notice.

Marcel Cassar, CEO, commented: “We welcome the publication of the FIAU statement as it marks the closure of an examination that helped us further improve our risk and compliance management. Having taken the examination findings very seriously, we carried out remediation, invested in technology, robustly grew our financial crime compliance resources and scaled up training across the entire Bank. Overall, we are positive that this process has continued to strengthen the Bank’s governance, systems and compliance controls.”

A livestream Market Briefing to address this announcement will be held by the Bank’s management on Friday 3rd February 2023 at 09h00 CET. Registration to the Market Briefing is required using this link: <https://www.apsbank.com.mt/investor-relations/>. Any related questions are to reach the Bank by not later than Thursday 2nd February at 17h00 CET on email address info@apsbank.com.mt.

A handwritten signature in blue ink, consisting of a large, stylized loop that encircles a horizontal line.

Graziella Bray B.A., LL.D., FCG
Company Secretary

Unquote