

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by MeDirect Bank (Malta) plc (the "Issuer") pursuant to the Listing Rules, issued by the Listing Authority:

MeDirect Bank (Malta) plc issue of Euro equivalent of €35,000,000 MeDirect Bank (Malta) plc 4% Subordinated Unsecured Bonds due 2024-2029 issued in Euro and Pounds Sterling.

MeDirect Bank (Malta) plc is pleased to announce the allocation policy which has been applied to applications received in respect of its offer of Euro equivalent of €35,000,000 MeDirect Bank (Malta) plc 4% Subordinated Unsecured Bond due 2024-2029 issued in Euro and Pounds Sterling (the "Bonds") pursuant to the prospectus dated 7 October 2019 (the "Prospectus").

The offer period for the Bonds closed on 23 October 2019.

The Issuer has provided holders of 6% MeDirect Bank (Malta) plc Subordinated Unsecured Bonds 2019-2024 (ISIN: MT0000551268 (EUR Bonds) and MT0000551276 (GBP Bonds)) (together the "Existing Bonds") with the opportunity to settle all or part of the amount due on the newly issued Bonds applied for (the "Exchangeable Bond Transfer") by the transfer to the Issuer of Existing Bonds held by them as at 11 October, 2019 (the "Cut-Off Date"), subject to a minimum holding of €25,000 in EUR Bonds and £20,000 in GBP Bonds, as applicable. Holders of the Existing Bond also had the opportunity to apply for Bonds in excess of the nominal value of their Existing Bonds (the "Excess"). An aggregate amount of €25,000,000 in Bonds was available for subscription by Existing Bondholders applying for Bonds by way of Exchangeable Bond Transfer and Excess.

The remaining €10,000,000 in Bonds was made available for subscription by Authorised Financial Intermediaries and the General Public through an Intermediaries' Offer.

The Issuer received from the Exchange Bond Transfer an aggregate total of euro equivalent €16,935,323 which will be allocated in full. Furthermore, holders of the Existing Bond applied for an Excess of Euro equivalent €4,922,404 over and above their holdings, which amount will also be allocated in full. In line with the Allocation Policy (Section 10 of Securities Note) as described in the Prospectus, since the subscriptions by Existing Bondholders were less than the €25,000,000 originally allocated, the amount not subscribed to, Euro equivalent €3,142,273, has been made available for the Intermediaries' Offer, with such offer increasing from €10,000,000 to €13,142,273.

The applied conversion rate from Pound Sterling to Euro was 0.86408, which was the reference rate of the European Central Bank as at the closing date of the offer, 23 October 2019.

Amounts subscribed for by Authorised Financial Intermediaries and the General Public through the Intermediaries' Offer reached the Euro equivalent of €21,084,160. The Issuer has allocated an aggregate of €5,000,000 of the Intermediaries' Offer to Jesmond Financial Services Limited and to itself.

As a result of the large number of applications received via the Intermediaries' Offer, the Issuer has scaled down all remaining applications received from Authorised Financial Intermediaries and the General Public to the minimum holding of €25,000 in EUR Bonds and £20,000 in GBP Bonds per application. Notwithstanding the scaling down of all remaining applications, the value of the subscribed amount still exceeded the available allocation of euro equivalent €8,142,273. Consequently, the Issuer in conjunction with the Malta Stock Exchange organised a ballot by means of which 47 applications were randomly selected from the 376 applications which were received under the Intermediaries' Offer and General Public. The Issuer will not be able to satisfy the 47 randomly selected applications. The remaining applications will be allocated the minimum holding of €25,000 in EUR Bonds and £20,000 in GBP Bonds. In order to assure fairness and transparency in the process, the ballot process was overseen by a Maltese registered notary who has duly certified that the ballot was carried out in an objective and transparent manner.

Refunds of unallocated monies, where applicable, will be made on 5 November 2019.

Interest on the Bonds will start accruing as from 5 November 2019. The Bonds are expected to be admitted to listing on the Official List of the Malta Stock Exchange on 5 November 2019 and trading in the Bonds is expected to commence on 8 November 2019.

The Issuer would like to thank the Existing Bondholders, investing public and participating Authorised Financial Intermediaries that have contributed to the successful completion of the Bond Issue.

Unquote



Paula Galea Farrugia
Company Secretary
25 October 2019