Market Briefing

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Introduction

Marcel Cassar, CEO

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1H26 in one sentence

A record 1H performance, testament to the strength of our business strategy and the discipline of our execution … not the product of some exceptional short-term measure or one-off event, but of prudent management, ongoing transformation and an unwavering commitment to putting our customers first.

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1H26 at a glance

Profit before tax
1H25: €9.1m → **1H26: €23.9m**

Profit after tax
1H25: €4.9m → **1H26: €16.3m**

Costs
1H25: €31.6m → **1H26: €32.8m**

Loan book
4Q25: €3.6bn → **2Q26: €3.8bn**

Deposits
4Q25: €4.1bn → **2Q26: €4.2bn**

Revenues
1H25: €40.8m → **1H26: €58.7m**

Outperforming all published targets while delivering continued value creation

	Loan growth[1]	Cost of funds	Net interest margin	Revenue growth[1,2]	Cost-to-income[3]	Return on av. equity
ACTUAL	14%	0.8%	2.2%	45%	56%	9.2%
TARGET	5%	<1%	>2%	>15%	low 60%	>6%

[1] YoY growth [2] Core Revenue = NOI *excluding* DBF FX, DBF Trading and Property Revals [3] Core Costs = OPEX *excluding* one-off costs

One particular message …

These results, and our outlook for the months ahead, establish APS Bank & Group as one of Malta’s top corporate performers, demonstrating the power that can emanate when a strong sense of purpose, sound governance, innovation and diligent management work hand in hand.

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1H2026 Financial Results

Ronald Mizzi, CFO

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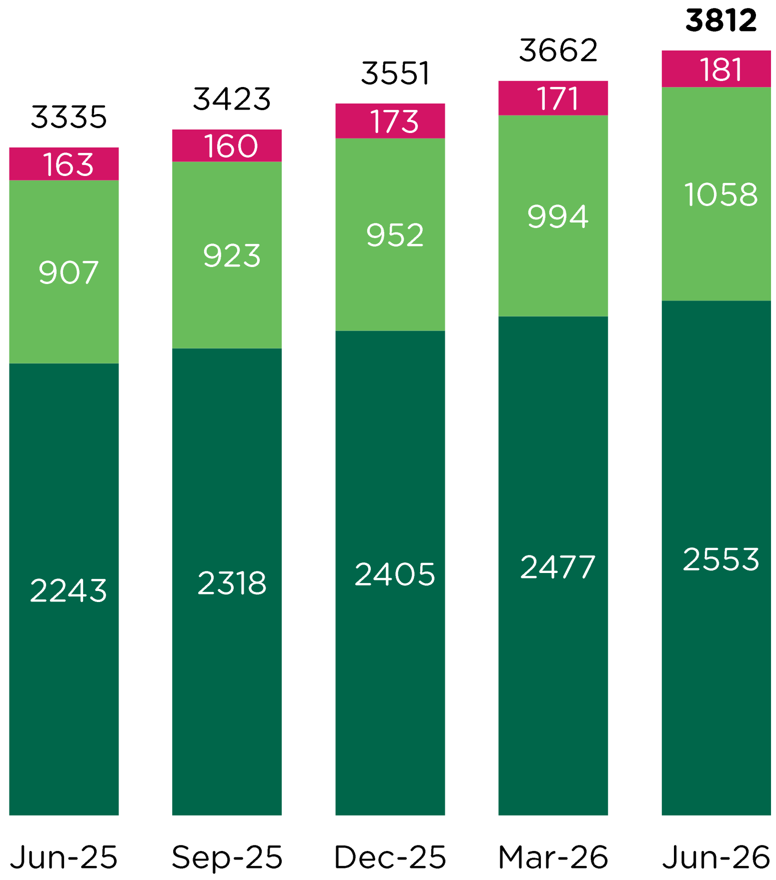
Record first half profitability underpinned by business growth, margin expansion and cost discipline

	BANK		GROUP	
€m	**1H2025**	**1H2026**	**1H2025**	**1H2026**
Net interest income	34.8	50.1	35.6	51.0
Net fee income	4.0	5.3	4.6	6.1
Other operating income	1.5	2.3	(0.1)	1.6
Core revenue	**40.3**	**57.7**	**40.1**	**58.7**
Net gains/losses on financial instruments, net of FX	1.1	0.2	0.7	-
Operating income	**41.4**	**57.9**	**40.8**	**58.7**
Operating expenses	(30.8)	(31.9)	(31.6)	(32.8)
Net impairments	(0.5)	(2.5)	(0.5)	(2.5)
Results from associates	-	-	0.4	0.5
Profit before tax	**10.2**	**23.5**	**9.1**	**23.9**
Tax	(4.3)	(7.5)	(4.3)	(7.6)
PROFIT AFTER TAX	**6.0**	**16.0**	**4.9**	**16.3**

*Some totals may not tally due to rounding

Continued momentum in the loan portfolio as **commercial lending exceeds €1 billion**



Loan portfolios

- **Syndications**
  +11% YoY
  +6% QoQ
- **Commercial**
  +17% YoY
  +6% QoQ
- **Retail**
  +14% YoY
  +3% QoQ

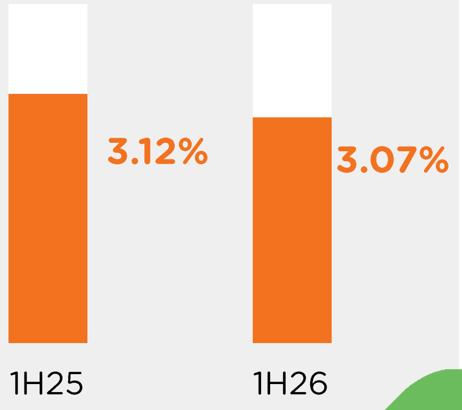
Home loan market share

26.0%

20.2% total share

Loan interest yield

∆ on repricing of facilities



*Market share data restated to reflect CBM change in classifications ** All data in €m unless otherwise stated - some totals may not tally due to rounding

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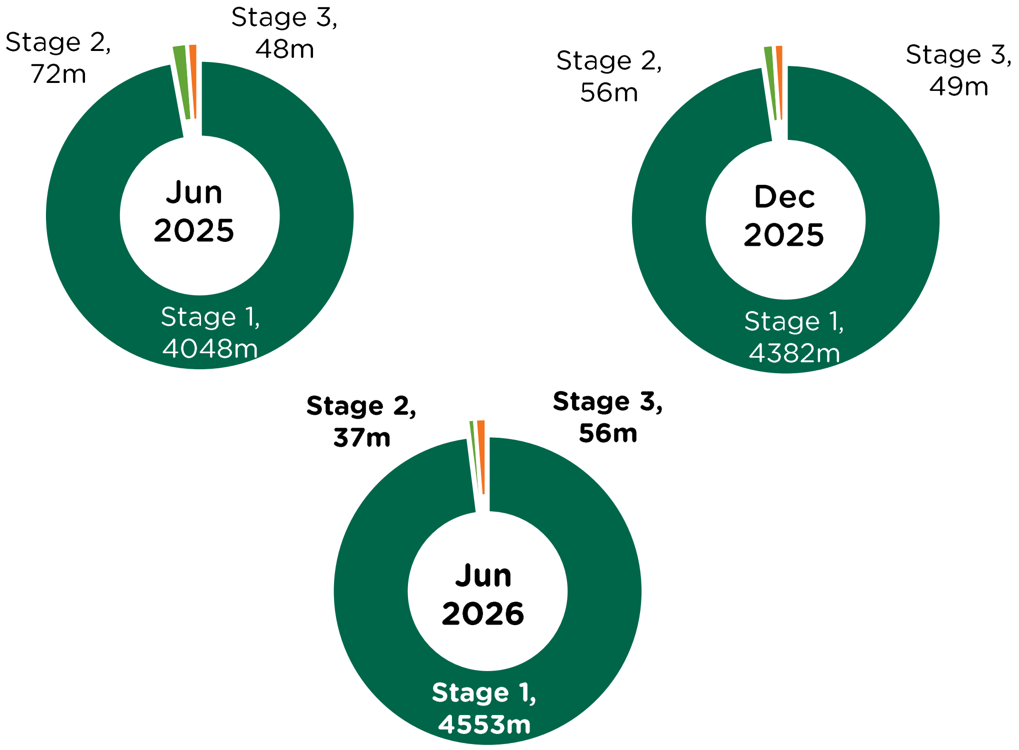
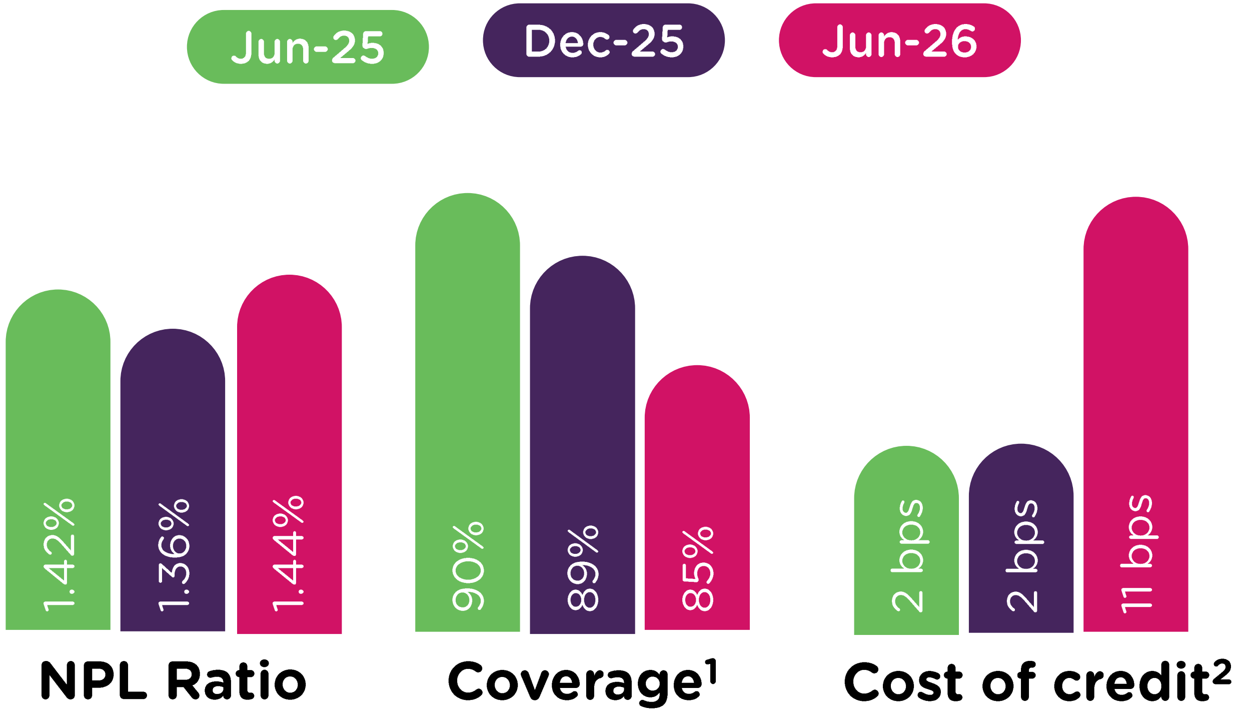
Resilient asset quality despite modest increases in NPLs and expected credit losses

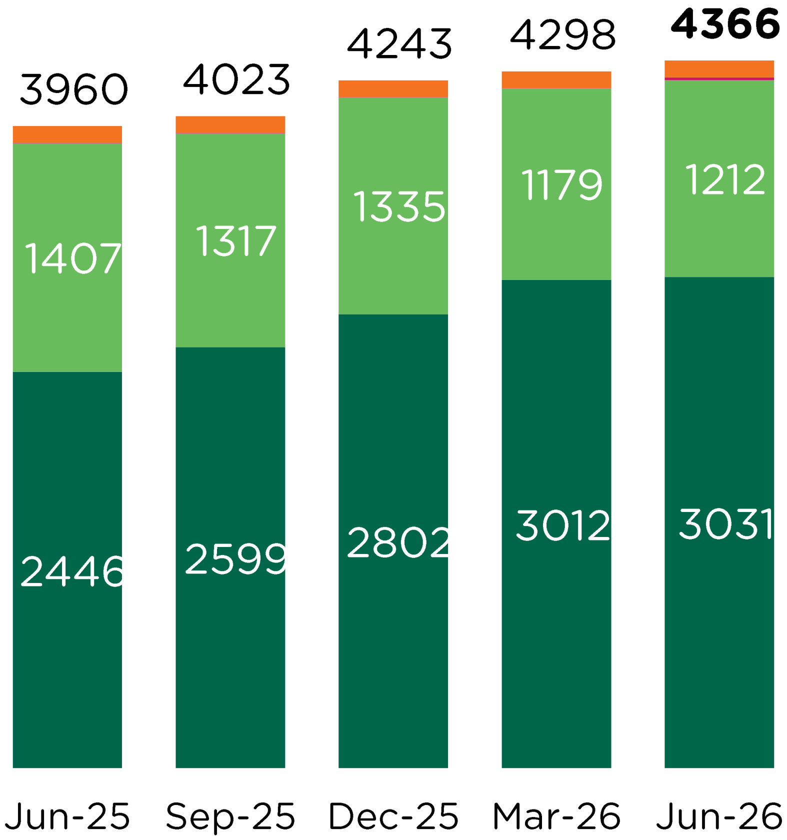


Asset staging



[1] Coverage ratio net of discounted collateral [2] YTD Cost of Credit *All data in €m unless otherwise stated - Some totals may not tally due to rounding

Deposit franchise continues to strengthen, as funding mix improves and **cost of funds eases further**



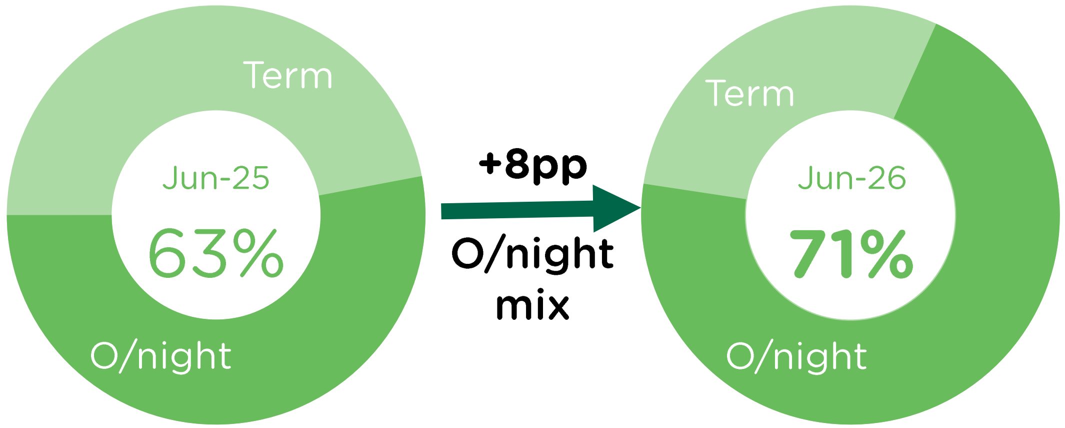
Term

-14% YoY
+3% QoQ

Overnight

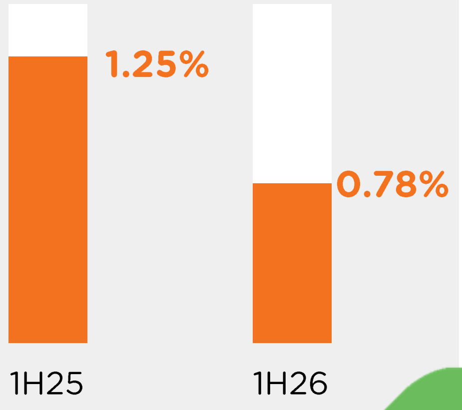
+24% YoY
+1% QoQ

Funding profile



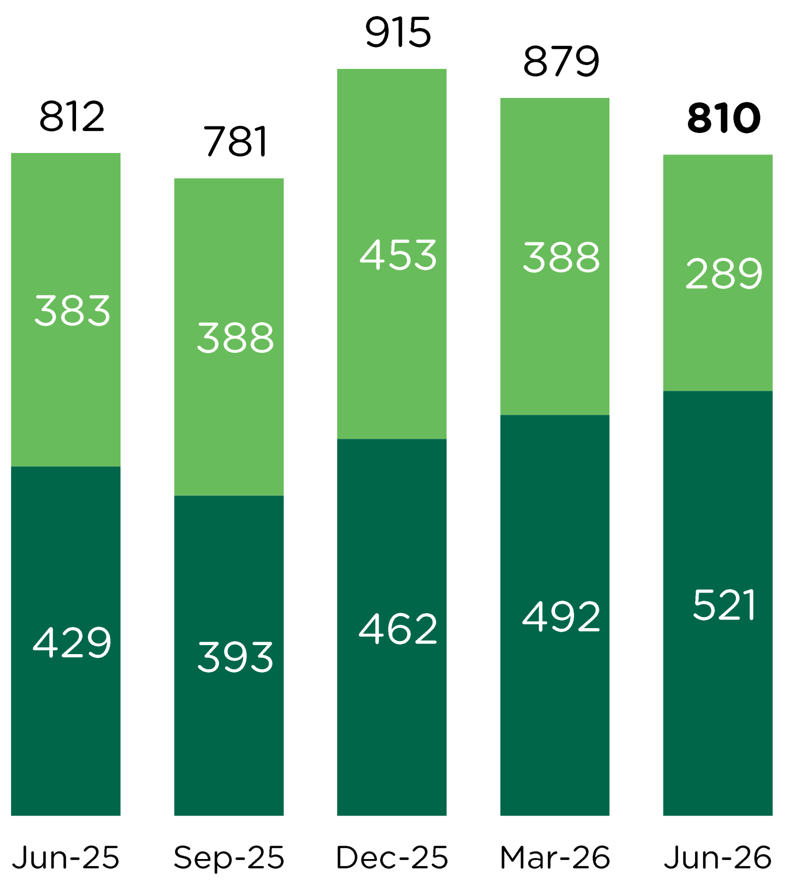
Cost of funds

Extrapolated annualised savings of €14m



*All data in €m unless otherwise stated - Some totals may not tally due to rounding **Annualised COF savings on 30/06/2026 total funding of €4.4bn

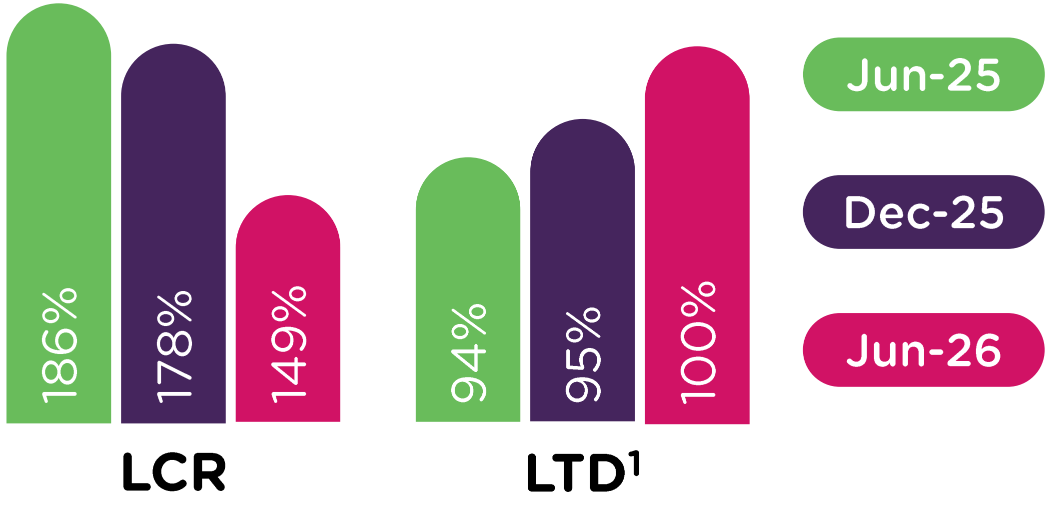
Disciplined liquidity deployment supports loan growth while maintaining a strong liquidity position



Cash & Bank
-25% YoY
-25% QoQ

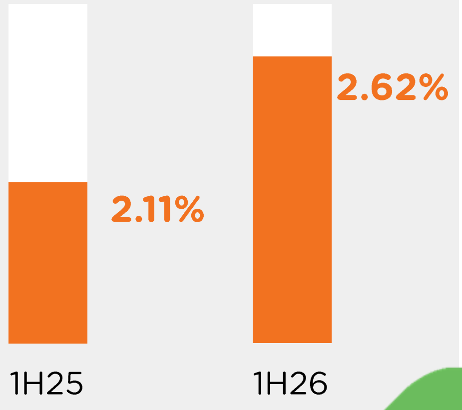
Bonds
+22% YoY
+6% QoQ

Treasury portfolio



TSY yield

Better yields on portfolio mix & ancillary income



[1] Loans-to-Deposit ratio as per EBA definition *All data in €m unless otherwise stated - Some totals may not tally due to rounding

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Broad-based gains across equity and bond markets in the second quarter

Equities

FTSE All-World 100% Hedged to EUR TRI
Jan-2025 to Jun-2026

Bonds

Bloomberg Global-Aggregate TRI Value Hedged
Jan-2025 to Jun-2026

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Positive 2Q Group returns as **investment funds rebound** from first-quarter volatility

APS Ethical Adventurous Fund**
1H2026 **+8.2%** return (1H2025 +4.7%)

APS Ethical Cautious Fund**
1H2026 **+2.9%** return (1H2025 +1.1%)

APS Ethical Balanced Fund**
1H2026 **+3.5%** return (1H2025 +1.6%)

APS Diversified Bond Fund*
1H2026 **+1.0%** return (1H2025 -0.1%)

APS Income Fund**
1H2026 **+3.3%** return (1H2025 +1.0%)

	APS % holding	1H2025	1H2026
ReAPS*	100.0	0.1	0.2
Diversified Bond Fund*	73.1	(0.1)	0.4
Ethical Adventurous Fund**	12.9	0.2	0.2
Ethical Cautious Fund**	0.1	-	-
Ethical Balanced Fund**	16.7	0.1	0.1
Income Fund**	11.3	0.1	0.2
IVALIFE**	25.0	-	-
		0.4	**1.1**

*Line-by-line consolidation; **Share of results consolidation
Performance of Accumulator Share Classes for Income and Ethical and Adventurous Funds and A Accumulator Share Classes for Ethical Cautious, Ethical Balanced & Diversified Bond Funds

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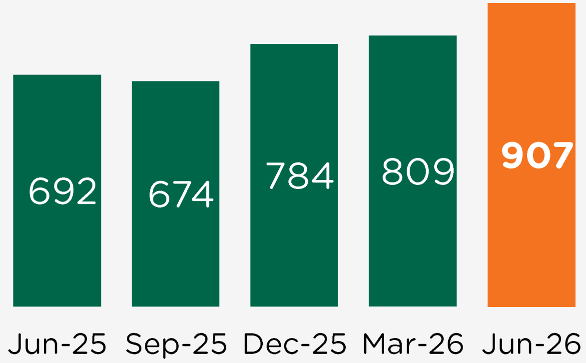
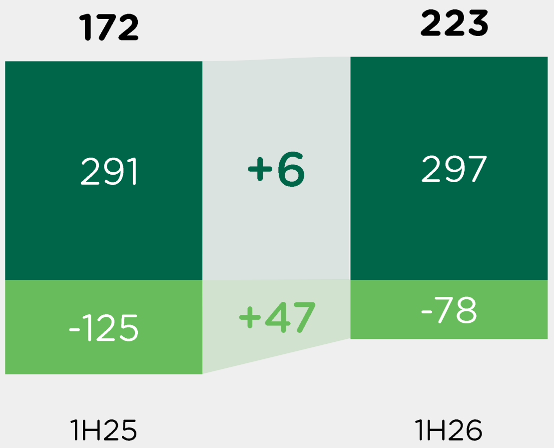
Remarkable top-line performance on margin expansion and other core revenue streams

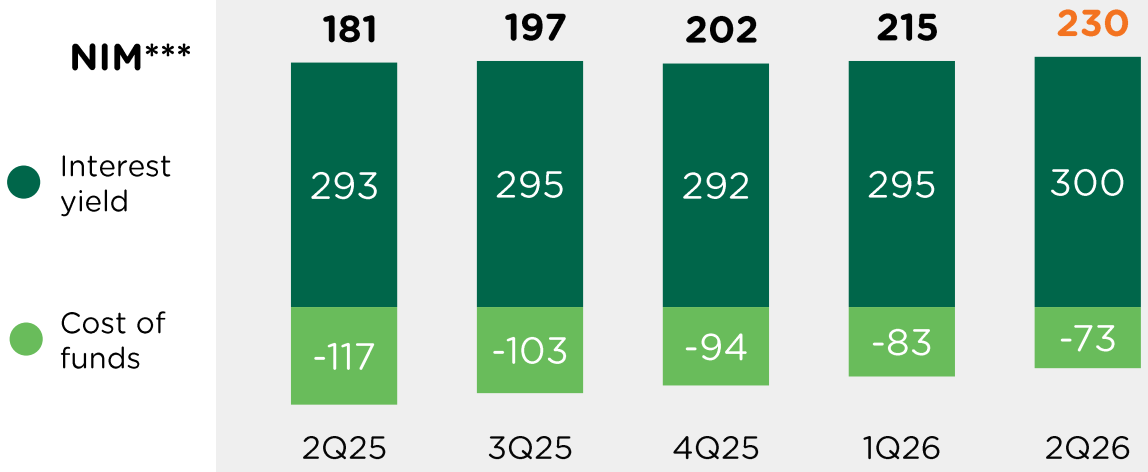
	1H2025	1H2026	Y26 vs Y25	2Q26 vs 1Q26
NII	35.6	51.0	▲ +43% YoY	▲ +7% QoQ
APC	4.1	5.3	▲ +29% YoY	▼ -7% QoQ
I&I	2.5	3.2	▲ +29% YoY	▲ +38% QoQ
Client FX	0.3	0.7	▲ +89% YoY	▲ +43% QoQ

AUM
+31% YoY
+12% QoQ



Net interest margin
Optimising returns on lower cost of funds

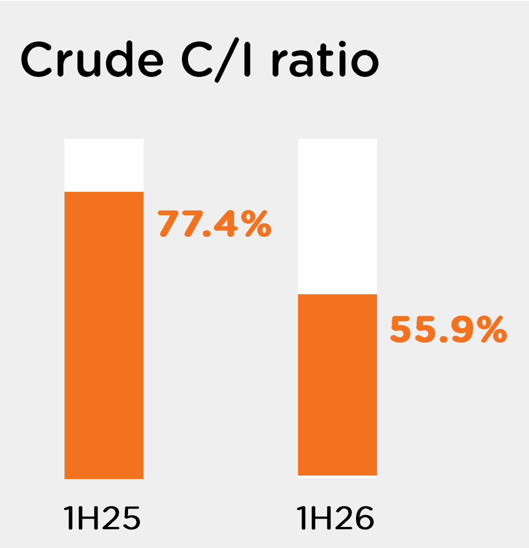


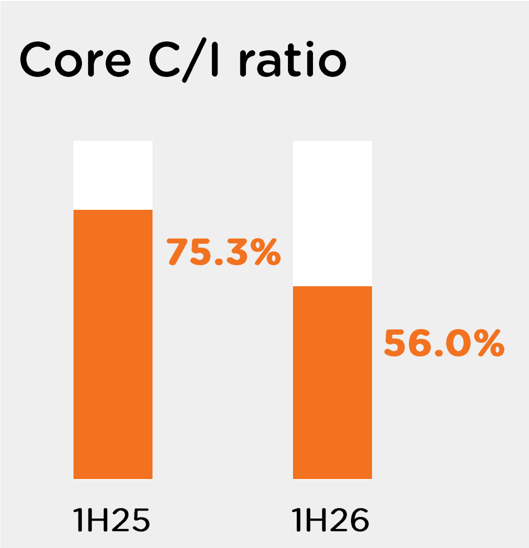


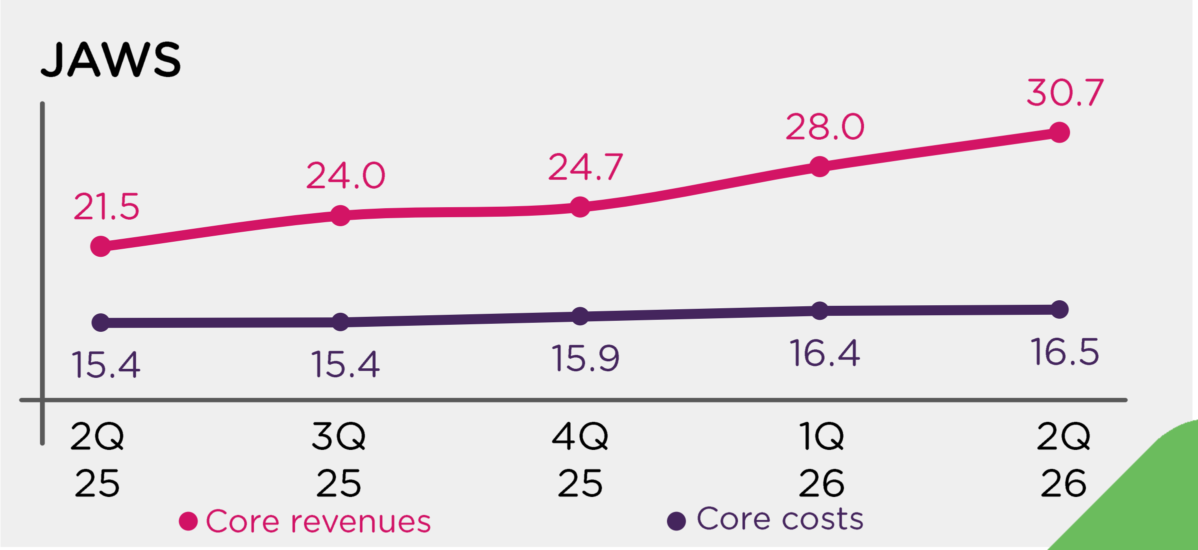
*All data in €m unless otherwise stated - Some totals may not tally due to rounding **NII=Net Interest Income; APC=Advances, Payments & Cards, I&I=Investment & Insurance *** All NIM date in basis points (bps)

Contained cost growth enables further improvement in operating efficiency

	1H2025	1H2026	Y26 vs Y25	2Q26 vs 1Q26
Staff costs	16.0	17.6	▲ +10% YoY	▲ +11% QoQ
Admin costs	12.6	11.9	▼ -6% YoY	▼ -13% QoQ
Depreciation/Amortisation	3.0	3.3	▲ +11% YoY	▲ +2% QoQ

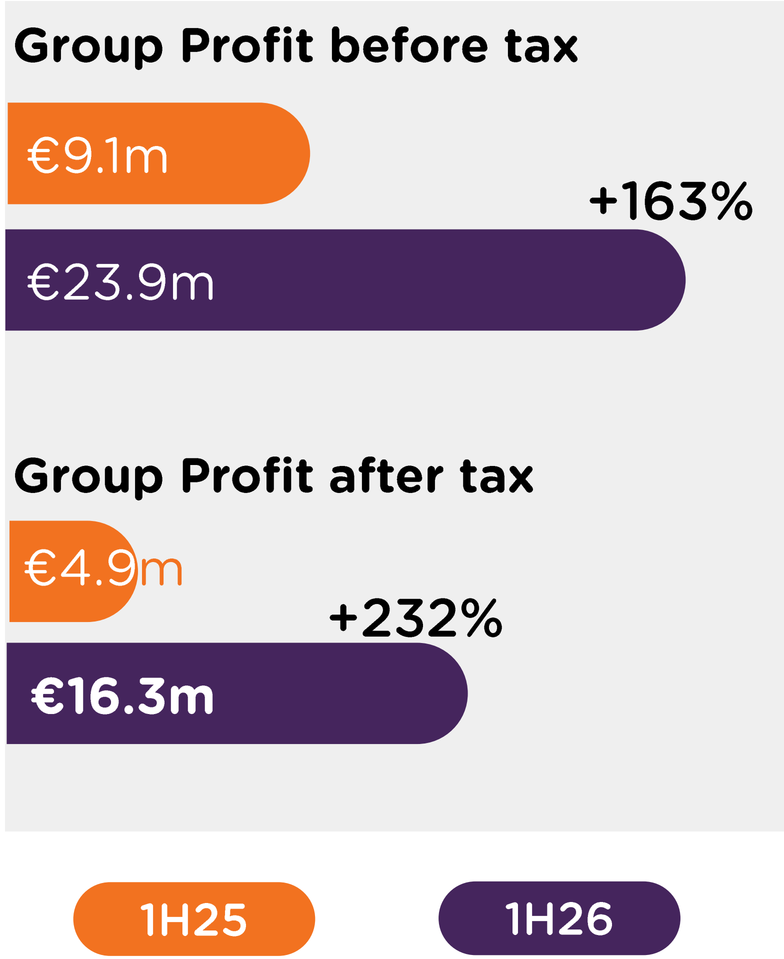


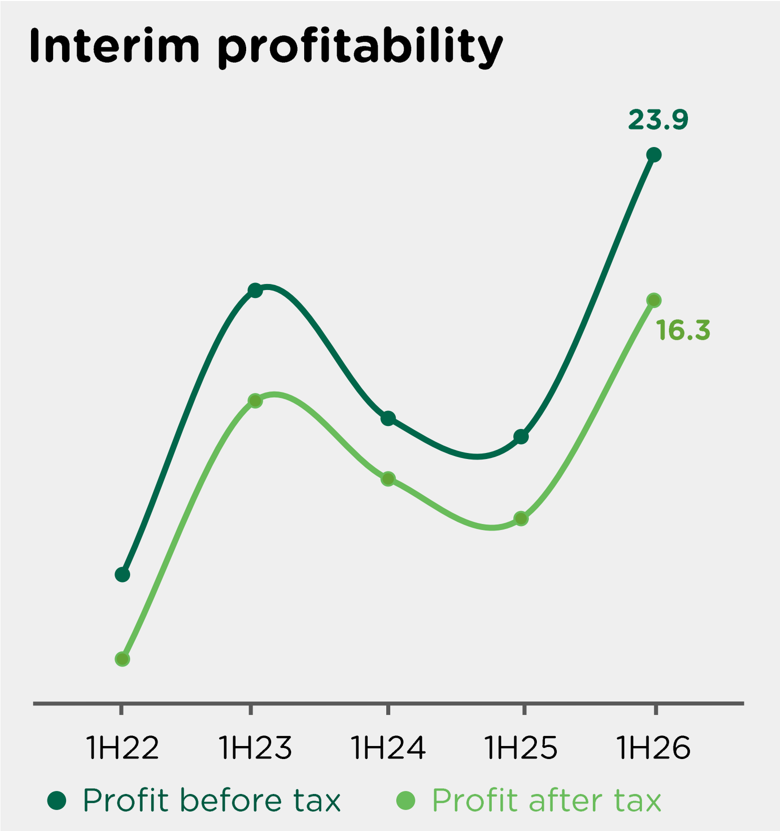


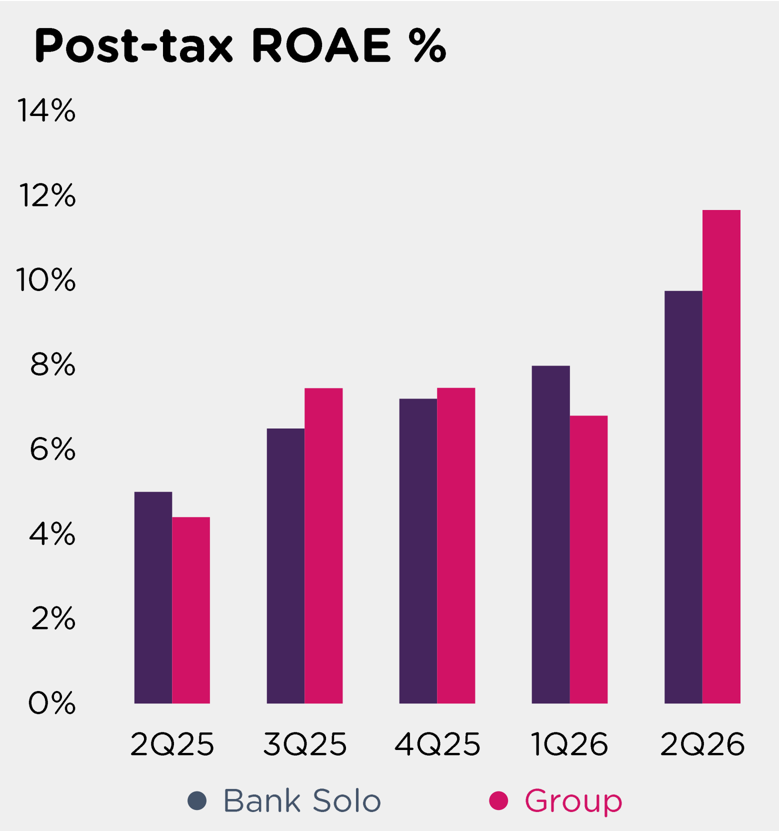


* All data in €m unless otherwise stated

Sustained profitability reflects disciplined execution of strategic priorities and deeper customer engagement







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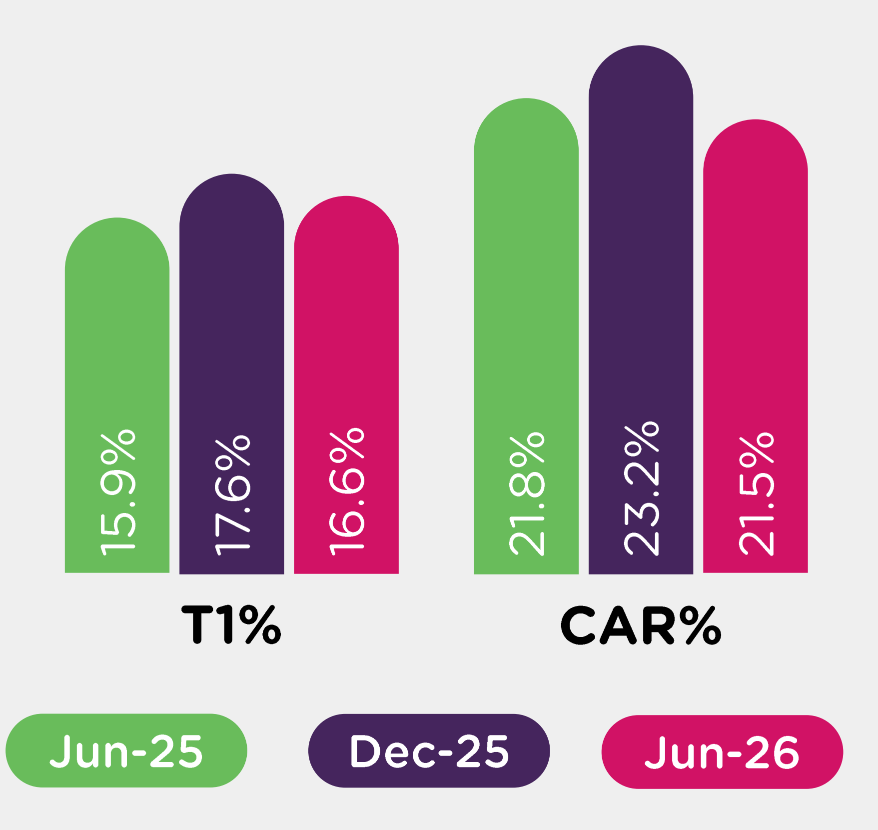
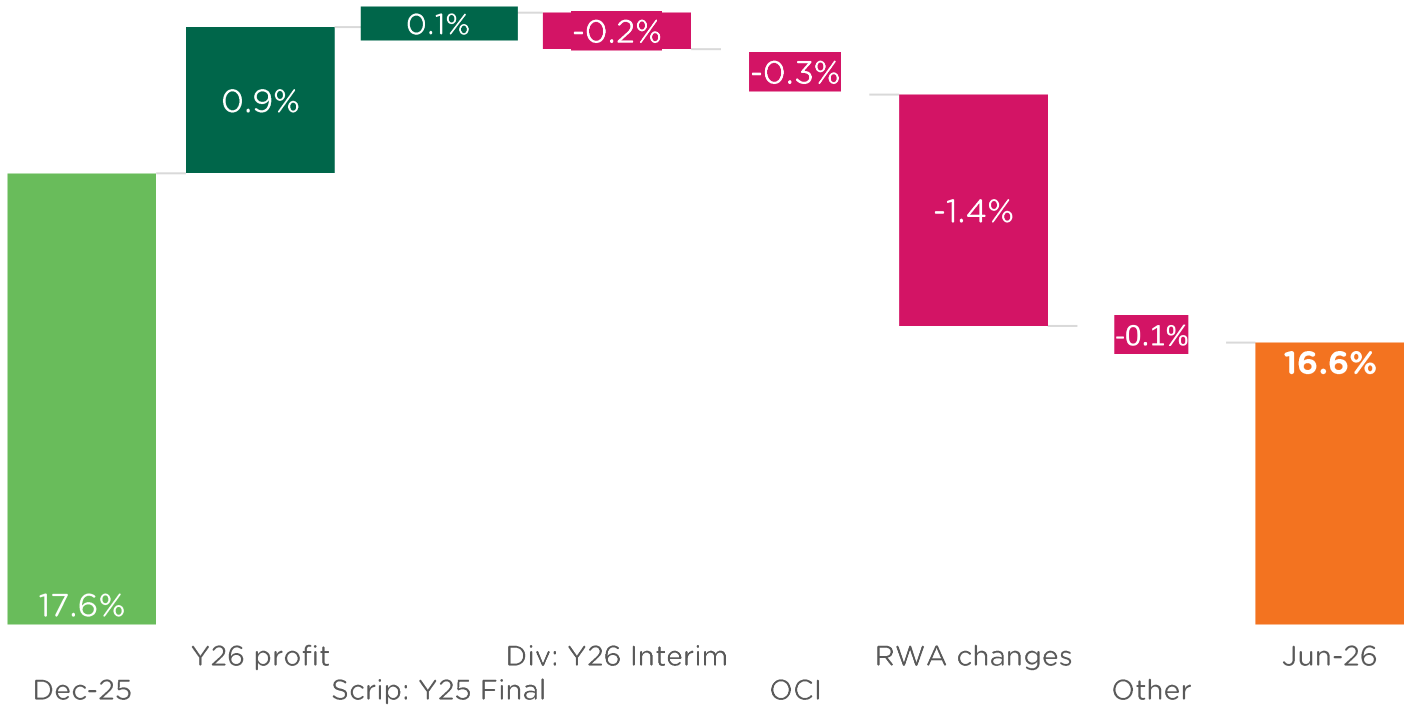
Capital generation continues to fund growth while maintaining **healthy capital ratios**





Tier 1 ratio

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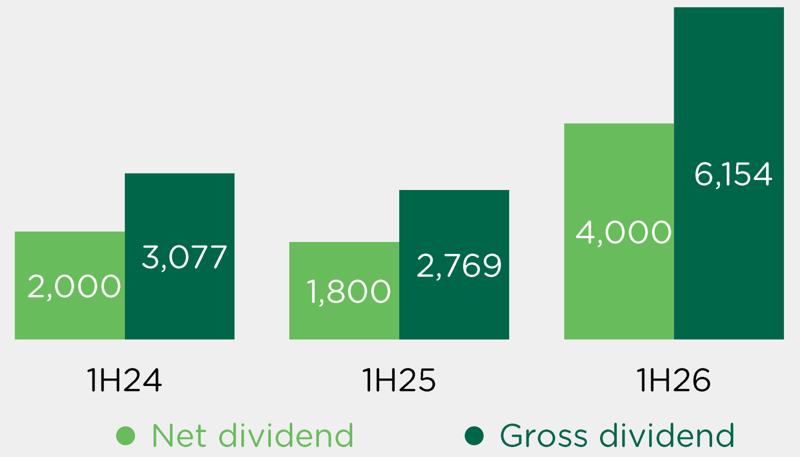
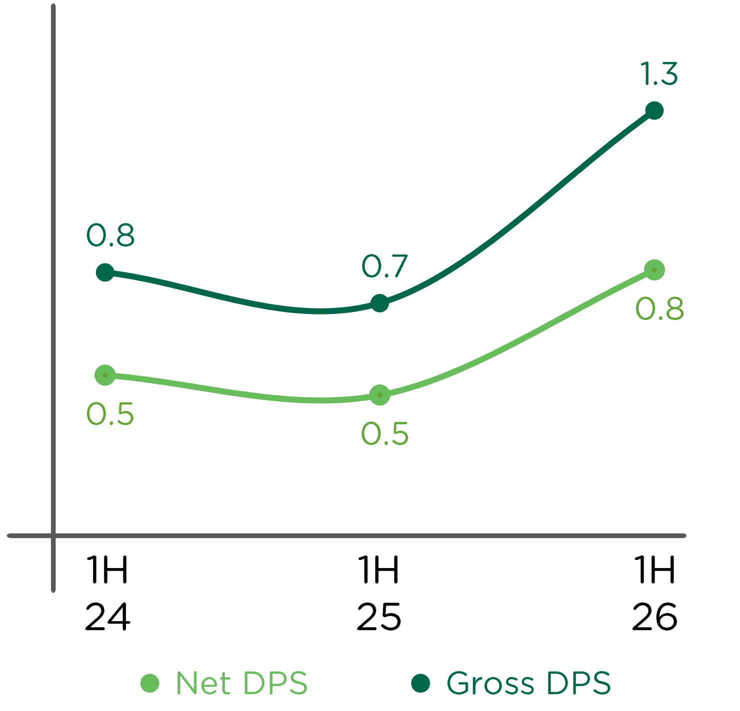
Highest interim dividend distribution alongside the launch of the share buy-back programme

Net interim dividend

Highest interim dividend reflecting 1H performance





Dividend/share (€ cents)

Share buy-back

- Approved at May AGM
- Authority: up to 5m shares
- Price range: €0.45 - €0.75
- Process expected to start next week

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Thank you

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