Registration Document

dated 20 September 2023

This document is a Registration Document issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the MFSA and in accordance with the provisions of the Prospectus Regulation.

LOMBARD BANK MALTA P.L.C.

A public limited liability company registered under the laws of Malta with company registration number C 1607.

LOMBARD
Lombard Bank Malta p.l.c.

Legal Counsel	Sponsors & Co-Managers	Registrar
CAMILLERI PREZIOSI ADVOCATES	RIZZO FARRUGIA YOUR INVESTMENT CONSULTANTS Calamatta Cuschieri	MALTA STOCK EXCHANGE

THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THIS MEANS THAT THE MALTA FINANCIAL SERVICES AUTHORITY HAS ONLY APPROVED THIS REGISTRATION DOCUMENT AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY AS PRESCRIBED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT, HOWEVER, BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER THAT IS THE SUBJECT OF THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MALTA FINANCIAL SERVICES AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS OF INVESTING IN ANY INSTRUMENT ISSUED BY THE ISSUER AND SUCH AUTHORISATION SHOULD NOT BE DEEMED, OR BE CONSTRUED, AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN ANY SUCH INSTRUMENTS. THIS REGISTRATION DOCUMENT HAS BEEN DRAWN UP AS PART OF A SIMPLIFIED PROSPECTUS IN ACCORDANCE WITH ARTICLE 14 OF THE PROSPECTUS REGULATION.

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A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN FINANCIAL ADVISER.

APPROVED BY THE BOARD OF DIRECTORS

Michael C. Bonello	Joseph Said

signing in their own capacity as Directors of the Issuer and on behalf of Graham A. Fairclough, Kimon Palamidis and Peter Perotti, as their duly appointed agents.

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT FORMS PART OF THE PROSPECTUS AND CONTAINS INFORMATION IN RELATION TO LOMBARD BANK MALTA P.L.C. (THE "**BANK**" OR THE "**ISSUER**") AND THE BUSINESS OF THE GROUP OF WHICH IT FORMS PART, AND IS DRAWN UP IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE ACT, THE FMA AND THE PROSPECTUS REGULATION.

NO PERSON HAS BEEN AUTHORISED BY THE BANK, ITS DIRECTORS, OR ITS ADVISERS, TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE BANK OTHER THAN THOSE CONTAINED IN THE PROSPECTUS AND IN THE DOCUMENTS REFERRED TO THEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, ITS DIRECTORS, OR ITS ADVISERS.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS REGISTRATION DOCUMENT AND ANY PERSON WISHING TO ACQUIRE SECURITIES ISSUED BY THE BANK TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF ACQUIRING AND HOLDING SECURITIES ISSUED BY THE BANK AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND FISCAL OBLIGATIONS IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE AND, OR DOMICILE.

SAVE FOR THE ISSUE IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN, OR WILL BE, TAKEN BY THE BANK THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES ISSUED BY THE BANK OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF), OR ANY OFFERING MATERIAL, IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, NO SECURITIES ISSUED BY THE BANK MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THE PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THE PROSPECTUS, OR ANY OTHER OFFERING MATERIAL MAY COME, MUST INFORM THEMSELVES ABOUT, AND OBSERVE, IF ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE PROSPECTUS AND THE OFFERING AND SALE OF THE SECURITIES ISSUED BY THE BANK.

UNLESS INCORPORATED BY REFERENCE IN THIS REGISTRATION DOCUMENT, THE CONTENTS OF THE BANK'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE BANK'S WEBSITE 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 WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN ANY SECURITIES ISSUED BY THE BANK.

ALL THE ADVISERS TO THE ISSUER NAMED IN SECTION 4 OF THIS REGISTRATION DOCUMENT HAVE ACTED, AND ARE ACTING, EXCLUSIVELY FOR THE BANK IN RELATION TO THE 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 TRANSACTIONS PROPOSED IN THE PROSPECTUS, THE CONTENTS OF AND ANY INFORMATION CONTAINED IN THE PROSPECTUS, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH.

THE DIRECTORS OF THE ISSUER CONFIRM THAT WHERE INFORMATION INCLUDED IN THE PROSPECTUS HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED, AND AS FAR AS THE DIRECTORS OF THE ISSUER ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

THE VALUE OF INVESTMENTS CAN RISE AS WELL AS FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFOMANCE. INVESTORS MAY LOSE ALL OR PART OF THEIR CAPITAL INVESTED BY INVESTING IN ANY SECURITIES ISSUED BY THE BANK. PROSPECTIVE INVESTORS SEEKING TO INVEST IN THE SAID FINANCIAL INSTRUMENTS, SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO MAKE AN INVESTMENT IN ANY SECURITIES ISSUED BY THE BANK.

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

A COPY OF THIS REGISTRATION DOCUMENT HAS BEEN SUBMITTED TO THE MALTA FINANCIAL SERVICES AUTHORITY IN SATISFACTION OF THE CAPITAL MARKETS RULES, THE MSE IN SATISFACTION OF THE MSE BYE-LAWS, AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES AT THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE REQUIREMENTS OF THE ACT.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS REGISTRATION DOCUMENT, MAKES NO REPRESENTATIONS AS TO THEIR 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 REGISTRATION DOCUMENT.

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER: (I) BY ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES IS NOT QUALIFIED TO DO SO; OR (II) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THE 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 PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY SECURITIES MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OR PERFORMANCE OF THE BANK SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS 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 REGISTRATION DOCUMENT IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE BANK IS NOT OBLIGED TO SUPPLEMENT THIS REGISTRATION DOCUMENT IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

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1. DEFINITIONS

In this Registration Document, the following words and expressions shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

2020 Annual Report	Annual report and accounts of the Issuer and its subsidiary undertakings for the year ended 31 December 2020;
2021 Annual Report	Annual report and accounts of the Issuer and its subsidiary undertakings for the year ended 31 December 2021;
2022 Annual Report	Annual report and accounts of the Issuer and its subsidiary undertakings for the year ended 31 December 2022;
Act	The Companies Act (Cap. 386 of the laws of Malta), as may be amended from time to time;
Authorised Financial Intermediary/ies	The financial intermediaries whose details appear in Annex I of the Securities Note;
Bank or **Issuer**	Lombard Bank Malta p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 1607 and having its registered office at 67, Republic Street, Valletta, VLT 1117, Malta;
Banking Act	The Banking Act (Cap. 371 of the laws of Malta), as may be amended from time to time;
Banking Union	The banking union in the EU which was initiated in 2012 as a response to the Eurozone crisis and which entails the transfer of responsibility for banking policy from the national to the EU level in several countries of the EU for the purpose of ensuring that EU banks are stronger and better supervised;
Board or **Board of Directors** or **Directors**	The board of directors of the Issuer whose names are set out in section 9.1 of this Registration Document;
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 amended by BRRD II, and as may be further 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;
Capital Markets Rules	The capital markets rules issued by the MFSA, as may be amended from time to time;
CCD	Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC, as may be amended from time to time;
Central Bank of Malta	The Central Bank of Malta established by the Central Bank of Malta Act (Cap. 204 of the laws of Malta), as may be amended from time to time;
Common Equity Tier 1 or **CET1**	The primary component of capital under Basel III rules, consisting principally of paid-up ordinary share capital, related premium reserves, profit for the period, reserves, shareholders' equity attributable to minority interests (which can be included within limits set by the rules) and such other components as may be detailed in the CRR Regulation from time to time;

Corporate Sustainability Reporting Directive	Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting, as may be amended from time to time;
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, as may be amended from time to time;
CRD V	Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures, as may be amended from time to time;
CRR	Regulation (EU) 575/2013 of the European Parliament and the Council of 26 June 2013 relating to prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended by CRR II, and as may be further amended from time to time;
CRR II	Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012, as may be amended from time to time;
DPA	The Data Protection Act (Cap. 586 of the laws of Malta) and subsidiary legislation issued thereunder, as may be amended from time to time;
EBA	The European Banking Authority established through Regulation (EC) No 1093/2010 of the European Parliament and of the Council of 24 November 2010, amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC, as may be amended from time to time;
ECB	The European Central Bank, namely the central bank of the EU Member States who have adopted the Euro;
EU	The European Union;
EU Member States	The member states of the EU;
Euro or **€**	The lawful currency of the Eurozone;
European Commission	An institution of the EU, responsible for proposing legislation, implementing decisions, upholding the EU treaties and managing the day-to-day business of the EU;
FIAU	The Financial Intelligence Analysis Unit established under the Prevention of Money Laundering Act (Cap. 373 of the laws of Malta), as may be amended from time to time, which is the national agency responsible for the prevention, detection and combating of money laundering and financing of terrorism;
FMA	The Financial Markets Act (Cap. 345 of the laws of Malta), as may be amended from time to time;
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;
Government of Malta	The Government of the Republic of Malta;
Group	The Issuer and the Subsidiaries;

IFRS or **IAS** or **International Accounting Standards**	All the International Financial Reporting Standards (IFRS), all the International Accounting Standards (IAS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC), adopted by the European Union;
Insurance Business Act	The Insurance Business Act (Cap. 403 of the laws of Malta), as may be amended from time to time;
Insurance Distribution Act	The Insurance Distribution Act (Cap. 487 of the laws of Malta), as may be amended from time to time;
Investment Services Act or **ISA**	The Investment Services Act (Cap. 370 of the laws of Malta), as may be amended from time to time;
IVALIFE Insurance Limited	IVALIFE Insurance Limited, a private limited liability company registered under the laws of Malta with company registration number C 94404 and having its registered office at Centris Business Gateway II, Level 1D, Triq is-Salib tal-Imriehel, Zone 3, Central Business District, Birkirkara, CBD 3020, Malta;
Lombard Capital Asset Management Limited	Lombard Capital Asset Management Limited, a private limited liability company registered under the laws of Malta with company registration number C 98226 and having its registered office at, 67, Republic Street, Valletta, VLT 1117, Malta;
Lombard Select SICAV p.l.c.	Lombard Select SICAV p.l.c., a public limited liability company registered under the laws of Malta with company registration number SV 554 and having its registered office at 67, Republic Street, Valletta, VLT 1117, Malta;
MaltaPost p.l.c. or **MaltaPost**	MaltaPost p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 22796 and having its registered office at 305, Qormi Road, Marsa, MTP 1001, Malta;
Malta Communications Authority	Malta Communications Authority, established in terms of the Malta Communications Authority Act (Cap. 418 of the laws of Malta), as may be amended from time to time;
Malta Financial Services Authority or **MFSA**	Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta), as may be amended from time to time, being the competent authority to approve prospectuses of any offer of securities to the public in Malta in terms of the FMA;
Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the FMA, with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Market Abuse Directive	Directive 2014/57/EU of the European Parliament and of the Council of 16 April 2014 on criminal sanctions for market abuse (market abuse directive), as may be amended from time to time;
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;
Memorandum and Articles of Association	The memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus in the form as registered with the Registrar of Companies at the Malta Business Registry. The terms "**Memorandum**", "**Articles**" and "**Articles of Association**" shall be construed accordingly;
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2004 on markets in financial instruments and amending Directives 2002/92/EC and 2011/61/EU (recast), as may be amended from time to time;
MiFIR	Regulation (EU) 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;

MSE Bye-Laws	The bye-laws issued by the MSE;
NDSF	The National Development and Social Fund, as defined further in section 5.2 of this Registration Document;
Non-Financial Reporting Directive	Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups;
Official List	The list prepared and published by the MSE as its official list in accordance with the MSE Bye-Laws;
PostaInsure Agency Limited	PostaInsure Agency Limited, a private limited liability company registered under the laws of Malta with company registration number C 5655 and having its registered office at 4, Old Bakery Street, Valletta, Malta;
Postal Services Act	The Postal Services Act (Cap. 254 of the laws of Malta), as may be amended from time to time;
Prospectus	Collectively, this Registration Document, the Securities Note and the Summary, as such documents may be amended, updated, replaced and, or supplemented from time to time;
Prospectus Regulation	Regulation (EU) 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, as may be amended from time to time, and as supplemented in accordance with the provisions of Commission Delegated Regulation (EU) 2019/979 and Commission Delegated Regulation (EU) 2019/980 issued thereunder, as may be amended from time to time;
PSD	Directive (EU) 2015/2366/EU of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC, as may be amended from time to time;
Recovery and Resolution Regulations	The Recovery and Resolution Regulations (Subsidiary Legislation 330.09 of the laws of Malta), as may be amended from time to time;
Redbox Limited	Redbox Limited, a private limited liability company registered under the laws of Malta with company registration number C 39314 and having its registered office at 67, Republic Street, Valletta, VLT 1117, Malta;
Registrar	The Malta Stock Exchange;
Registration Document	This document in its entirety issued by the Issuer dated 20 September 2023, forming part of the Prospectus;
Resolution Committee	The committee established within the MFSA by virtue of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta) and which is responsible for the resolution of credit institutions and investment firms;
Securities Note	The securities note issued by the Issuer dated 20 September 2023, forming part of the Prospectus;
Senior Management	The persons forming part of the senior management of the Issuer whose names are set out in section 9.6 of this Registration Document;
Shareholder Rights Directive	Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, as may be amended from time to time;

Sponsor(s) and, or **Co-Manager(s)**	Rizzo, Farrugia & Co (Stockbrokers) Ltd, a private limited liability company registered under the laws of Malta, having company registration number C 13102 and registered office at Airways House, Fourth Floor, High Street, Sliema, SLM 1551, Malta, licensed by the MFSA and member of the MSE; and Calamatta Cuschieri Investment Services Limited, a private limited liability company registered under the laws of Malta, having company registration number C 13729 and registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara, BKR 9034, Malta, licensed by the MFSA and member of the MSE;
SSM	The Single Supervisory Mechanism. It comprises the ECB and the national supervisory authorities of the participating countries;
Subsidiaries	Each of Lombard Capital Asset Management Limited, Lombard Select SICAV p.l.c., MaltaPost p.l.c. and Redbox Limited;
Summary	The summary issued by the Issuer dated 20 September 2023, forming part of the Prospectus;
Sustainable Finance Disclosure Regulation	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;
Tanseana Limited	Tanseana Limited, a private limited liability company registered under the laws of Malta with company registration number C 74701 and having its registered office at 305, Triq Hal Qormi, Marsa, MTP 1001, Malta;
Taxonomy Regulation	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as may be amended from time to time;
Transparency Directive	Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC, as amended from time to time; and
Universal Service Provider	Universal service provider as defined in the Postal Services Act.

Unless it appears otherwise from the context:

a. words importing the singular shall include the plural and *vice versa*;

b. words importing the masculine gender shall include the feminine gender and *vice versa*;

c. the word "*may*" shall be construed as permissive and the word "*shall*" shall be construed as imperative;

d. all references in this Registration Document to "*Malta*" shall be construed as defined in Article 124 (1) of the Constitution of Malta;

e. any phrase introduced by the terms "*including*", "*include*", "*in particular*" or any similar expression is illustrative only and does not limit the sense of the words preceding those terms; and

f. any reference to a law, legislative act, and, or other legislation shall mean that particular law, legislative act and, or legislation as in force at the date of this Registration Document.

2. RISK FACTORS

2.1. General

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO ANY OF THE LISTED FINANCIAL INSTRUMENTS THAT WILL BE OFFERED BY THE ISSUER PURSUANT TO THIS REGISTRATION DOCUMENT. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES.

THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR WHICH THE DIRECTORS HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS REGISTRATION DOCUMENT. SUBSEQUENT RISK FACTORS IN THE SAME CATEGORY ARE NOT RANKED IN ORDER OF MATERIALITY OR PROBABILITY OF OCCURRENCE. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE 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, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS OF THE ISSUER AND, OR THE GROUP IF THE RISK FACTOR WERE TO MATERIALISE.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE BANK'S AND, OR THE GROUP'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS AS WELL AS THE ABILITY OF THE BANK TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME, INCLUDING ITS OBLIGATIONS UNDER THE RIGHTS ISSUE. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS AS AT THE DATE OF THIS REGISTRATION DOCUMENT, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE BANK AND, OR THE GROUP FACES OR COULD FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE DIRECTORS ARE NOT CURRENTLY AWARE OF, OR THAT THE DIRECTORS CURRENTLY DEEM IMMATERIAL, INDIVIDUALLY OR CUMULATIVELY, MAY WELL RESULT IN A MATERIAL IMPACT ON THE ISSUER'S AND, OR THE GROUP'S FINANCIAL RESULTS, CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS, AND ON THE ABILITY OF THE BANK TO FULFIL ITS OBLIGATIONS UNDER THE RIGHTS ISSUE. IN ADDITION, PROSPECTIVE INVESTORS OUGHT TO BE AWARE THAT RISK MAY BE AMPLIFIED DUE TO A COMBINATION OF RISK FACTORS.

THE PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN AND, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES BY THE ISSUER: (I) ARE NOT INTENDED TO PROVIDE THE BASIS FOR ANY CREDIT OR OTHER EVALUATION; (II) ARE NOT INTENDED TO CONSTITUTE, AND SHOULD NOT BE CONSTRUED AS CONSTITUTING, A RECOMMENDATION BY THE ISSUER, THE DIRECTORS, ANY OF THE ADVISERS LISTED IN SECTION 4 OR ANY AUTHORISED FINANCIAL INTERMEDIARY TO PURCHASE ANY OF THE LISTED FINANCIAL INSTRUMENTS THAT WILL BE OFFERED BY THE ISSUER PURSUANT TO THIS REGISTRATION DOCUMENT; AND (III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, "*FORWARD-LOOKING STATEMENTS*".

PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER PARTS OF THE PROSPECTUS. THE RISK FACTOR DESCRIPTIONS GIVEN BELOW SHOULD BE READ IN CONJUNCTION WITH THE OTHER INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT, INCLUDING THE DOCUMENTS AND INFORMATION REFERRED TO THEREIN, AS WELL AS THE INFORMATION AND OTHER RISK FACTORS DESCRIBED IN THE SECURITIES NOTE RELATING TO THE LISTED FINANCIAL INSTRUMENTS THAT THE ISSUER MAY OFFER PURSUANT TO THIS REGISTRATION DOCUMENT.

FORWARD-LOOKING STATEMENTS

Forward-looking statements can be identified by the use of forward-looking terminology, including 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 relate to matters that are not historical facts. They appear in a number of places within the Prospectus, and in documents incorporated therein by reference, and include statements regarding the intentions, beliefs or current expectations of the Bank and, or the Directors concerning, amongst other things, the Bank's strategy and business plans, results of operations, financial condition and performance, liquidity, prospects, dividend pay-out approach of the Issuer and the market in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Issuer's and, or the Group's actual results of operations, financial condition and performance, liquidity, dividend pay-out approach and the development of its strategic initiatives may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the results of operations, financial condition and performance, liquidity and dividend pay-out approach of the Bank and, or the Group are consistent with the forward-looking statements contained in the Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to, those factors identified under section 2.2. of this Registration Document and elsewhere in the Prospectus.

Potential investors are advised to read the Prospectus in its entirety, and, in particular, all the risk factors set out in this Registration Document, for a description of the factors that could affect and, or vary the Bank's and, or the Group's future performance. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur. All forward-looking statements contained in this Registration Document are based on information available as at the date hereof. Subject to applicable legal and regulatory obligations, 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 such statement is based.

2.2. Risk Factors relating to the Bank and, where relevant, the Group

2.2.1. Macroeconomic and geopolitical risk

2.2.1.1. Current economic and market conditions may adversely affect the Group's results

The Group may be negatively impacted by a deterioration in the economic and general business climate, both at a global and domestic level. Whilst the Group operates primarily in the local market, the Group's operations may also be affected by conditions in the global economy. For instance, uncertain and at times volatile economic conditions could create challenges for the Group to operate. In particular, the Group has faced, and may continue to face, the following challenges to its operations and operating model in connection with these factors:

- The Russia-Ukraine war and its economic repercussions could result in further material increases in inflation, credit losses higher than those expected, disruption of energy supplies and additional credit and market risks which could all contribute to global economic dislocation. These factors could adversely affect the financial condition of the Group's customers and lead to higher credit losses for the Group. In addition, the tightening of monetary policies coupled with the imposition of sanctions, trade restrictions and countermeasures could contribute to a global recession.

- The demand for borrowing from creditworthy customers of the Bank may diminish during periods of recession or where economic activity slows. In addition, adverse market developments could reduce consumer and business confidence, increase default rates and result in the revaluation and, or impairment of the Bank's assets.

- The decision of Financial Risk Action Task Force (the "**FATF**") to grey-list Malta over the course of 2021 induced some correspondent banks to terminate their relationship with local banks and the long-term impact of this decision remains uncertain. The Bank's international banking business experienced a decline following the placement of Malta on the FATF grey-list. Although Malta was removed from the FATF grey-list over the course of 2022, Malta as a jurisdiction suffered a degree of reputational damage which adversely affected the Bank's relationship with some of its correspondent banks. Furthermore, there can be no guarantee that the level of international business maintained by the Bank prior to the FATF grey-listing will be returned to pre-2021 levels.

An occurrence of any of these events or circumstances could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

2.2.1.2 The Group is subject to environmental, social and governance related matters

The Group is subject to risks associated with environmental, social and governance ("**ESG**") related matters and considerations. ESG-related matters such as climate change, society's impact on nature and human rights violations introduce risks to the Group's business, customers and wider society. In accordance with its ESG-related regulatory obligations, the Group shall assess material sustainability risks, being any environmental, social or governance events or conditions, the occurrence of which could cause an actual or potential material negative impact on the value of the investment. Specifically with respect to the Bank, the Board of Directors has established an ESG working group which has the function of coordinating, advising and providing recommendations on ESG-related matters and, with the assistance of external consultants, has the responsibility of preparing and implementing an ESG action plan. The ESG working group is also responsible for ensuring compliance with regulatory obligations and liaising with Senior Management, the Board-appointed committees, and the Board of Directors on such matters. The Board of Directors oversees the activities of the ESG working group so as to ensure effective and timely preparedness and compliance with all applicable ESG requirements and the Bank's ESG action plan. The Board and Senior Management are also being trained appropriately to keep abreast of ESG requirements.

Climate change, through transitional and physical channels, could have both financial and non-financial impacts on the Group either directly or indirectly through the Group's customers. The Malta climate-related risks are not expected to have a consequence on the impairment or fair value of assets, give rise to credit losses and/or potential provisions or contingent liabilities. That said, however, like any other business, the Group is not shielded from the economic risks of climate change, which in turn may have an impact on the financial performance. Beyond climate change, there are a number of nature-related risks which may be represented more broadly by economic dependency on nature, and may have a significant economic impact. These risks may show themselves in a variety of ways, including through macroeconomic, market, credit, reputational, legal and regulatory risks, for both the Group and its customers. Failure to manage these risks may result in negative impacts on the Group's business and reputation.

From a governance perspective, risks may arise relating to lack of skilful management or good governance within the Group and the inadequacy of proper control. Said risks cover a wide spectrum of areas including financial crime, regulatory compliance, fraud, systems and processes which would in turn affect income and capital. Failure to manage these risks may result in negative impacts on the Group's business and reputation.

In addition to the foregoing, specifically with respect to the Bank, as an entity falling within the scope of the ESG regulatory framework, including but not limited to, the Non-Financial Reporting Directive, the Taxonomy Regulation and the Sustainable Finance Disclosure Regulation, the Bank relies on various data sources to comply with the applicable ESG-related disclosure requirements. Moreover, the Bank shall become subject to the reporting requirements of the Corporate Sustainability Reporting Directive in the near future. In order to track and report on the Bank's progress against its ESG-related ambitions, commitments and targets, the Bank relies on internal and, where appropriate and available, external data sources, guided by certain industry standards. While ESG-related reporting has improved over time, data remains of limited quality and consistency. This could lead to a lack of comparability between the data reported in the current reporting period and that reported in future period.

If any of the above risks were to materialise, this could have financial and non-financial impacts for the Group which could, in turn, have a material adverse effect on its business, financial condition, results of operations, reputation, prospects and strategy.

2.2.1.3. The Group operates in markets that are highly competitive

The financial services industry, both in Malta and globally, is a competitive one. Competitive pressures could increase due to general developments in the market, regulatory changes, shifts in customer demand, shifts in competitors' strategies, technological developments, and other factors that are beyond the Group's control. The Group is exposed to competition in the markets in which it operates, including from competitors that may have greater financial and other resources. In addition, the Group may experience increased competition from new entrants.

The Group generally competes on the basis of building long-term business relationships, personalised service, the wide array of products and services that the Group offers customers, the wide distribution channels, its flexibility and reputation. In addition, the Group is under competitive pressure to continue offering its products and services at the same or lower prices.

The success and growth of the Group depends on its ability to meet quality of service requirements, anticipate and respond quickly and effectively to changes in customer behaviour and technological developments and invest in skilled and competent talent. Failure to maintain its market position could result in the Group losing market share in its respective business segments, and this could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group.

2.2.1.4. The 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 Group's investment portfolios, and foreign exchange positions, interest income and the market value of assets and liabilities. In the event that market risks were to materialise, the 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 Group. The following are the principal identifiable market risks:

- **Interest rate risk**

Interest rates are impacted by factors outside the Bank's control, including the fiscal and monetary policies of governments and central banks, as well as Maltese and international political and economic conditions. This may affect the Bank's results, profitability and return on capital.

Should interest rates increase, the Bank may be required to pay higher interest rates to customers on their deposits, leaving it more exposed to the re-pricing of its liabilities than competitors with higher levels of term deposits. In the event of sudden large or frequent increases in interest rates, the Bank also may not be able to re-price its floating rate assets and liabilities concurrently, giving rise to re-pricing gaps in the short term, which, in turn, could negatively affect its revenue. The rise in interest rates, without sufficient improvement in customer earnings or employment levels, could, for example, lead to an increase in default rates among customers with variable rate loans who can no longer afford their repayments, in turn leading to increased impairment charges and lower profitability for the Bank. A high interest rate environment could also reduce demand for loan products generally, as individuals are less likely or less able to borrow when interest rates are high, and thereby reduce the Bank's revenue. In addition, given that a considerable proportion of the Bank's loans and advances to customers are at a variable rate and repayable without penalty, there is a risk that a sudden rise in interest rates, or an expectation thereof, could encourage significant demand for fixed rate products. High levels of movement between products in a short time period could put pressure on the Bank's business and operational capability, and the Bank may not be willing or able to price its fixed rate products as competitively as others in the market. This could lead to customer attrition and, consequently, adversely affect the Bank's capacity to lend and therefore its profitability.

- **Foreign exchange risk**

The Group conducts the principal part of its business in Euro, however, it performs some of its activities in other currencies. In light of this, the Issuer may be impacted by foreign exchange risk, which is the risk of adverse movements in the monetary value of foreign currency denominated assets and liabilities, and additionally of income and expenses, from the fluctuation of foreign exchange rates in relation to the Euro, as the Group's base currency.

- **Risk relating to inflation**

The Group's business is subject to the risk of inflation. Inflationary risk refers to the risk that inflation will undermine the performance of an investment, the value of an asset, or the purchasing power of a stream of income. Inflation is a decline in the purchasing power of money over time, and failure to anticipate a change in inflation presents a risk that the realised return on an investment or the future value of an asset will be less than the expected value. Inflationary pressures, which have been exacerbated since the onset and escalation of the Russia-Ukraine war and the continued global economic effects of the Covid-19 pandemic, comprising supply chain disruptions, may also result in an increase to the Group's cost base and additional costs related to its operations.

2.2.1.5. The Bank is subject to risks relating to liquidity

Liquidity risk refers to the possibility that the Bank may find itself unable to meet its current and future, anticipated and unforeseen cash payment and delivery obligations without impairing its day-to-day operations or financial position. The activity of the Bank is subject in particular to funding liquidity risk, market liquidity risk, mismatch risk and contingency risk. The Bank is subject to the following risks relating to liquidity, or ready access to funds:

- **Funding liquidity risk**

The Bank's ability to borrow can be affected by a number of factors including interest rates, availability of credit, regulatory requirements relating to liquidity and the Bank's creditworthiness. Funding liquidity risk refers to the risk that the Bank may not be able to meet its payment obligations, including financing commitments, when due. The availability of liquidity needed to carry out the Bank's various activities and its ability to access long-term funding are essential for the Bank to be able to meet its anticipated and, or unforeseen cash payment and delivery obligations, so as not to impair its day-to-day operations or financial position. If the Bank is unable to raise sufficient funds through deposits or through the capital markets, the Bank's liquidity position could be adversely affected. If, for some reason, the Bank is unable to access the necessary liquidity to conduct its operations and, or meet its obligations for deposit withdrawals or on demand on their contractual maturity, this could negatively impact the Bank's financial condition and performance.

- **Market liquidity risk**

Economic and market conditions, or unforeseen risks which the Bank might be faced with, could curtail the Bank's access to deposits and other forms of funding. Given that a significant portion of the Bank's financing is derived from local customer deposits, a decrease in customer confidence could limit the Bank's capacity to access retail funds. In addition, a decrease in confidence could limit the Bank's capacity to access funds through the issuance of financial instruments. Furthermore, sudden changes in market conditions (in particular, interest rates and creditworthiness) can have significant effects on the time necessary for the Bank to sell securities, including high-quality assets (such as government securities) without incurring losses. The consequences of a possible downgrade of issuers of securities in which the Bank is invested could also make it difficult to guarantee that such financial instruments can be easily liquidated under favourable economic terms. If the Bank faces liquidity problems due to any one or more of the factors set out above, this could impact its ability to meet regulatory requirements, and could also have negative effects on the operating results and, or on the financial position of the Bank.

- **Mismatch risk**

Mismatch risk arises from differences in the amounts or maturities of incoming and outgoing cash flows, and could impact, amongst others, the ability of the Bank to meet its liabilities as they fall due. Should such risk materialise, this could have a negative impact on the Bank.

- **Contingency risk**

The Bank must also manage the risk that (potentially unexpected) future requirements (for instance, use of credit lines and, or withdrawal of deposits) may use a greater amount of liquidity than may have been anticipated as being necessary for day-to-day activities. This may also have a negative impact on the Bank.

2.2.2. Macro prudential, regulatory and legal risks to the Bank's business model

2.2.2.1. The Bank is subject to legislative changes and regulatory developments and requirements which may adversely affect the Bank's business

The Bank is subject to a number of prudential and regulatory requirements, designed, among others, to safeguard consumers, maintain the safety and soundness of banks, ensure banks' compliance with economic and other objectives and limit banks' exposure to risk. The legislation to which the Bank is subject includes (but is not limited to) PSD, CRD, BRRD, CCD (each as transposed into Maltese law) and the CRR. The Bank faces risks associated with a rapidly evolving prudential and regulatory environment pursuant to which it is required, amongst other things, to adhere to stringent consumer credit legislation and maintain adequate capital and liquidity resources and to satisfy specified capital and liquidity ratios at all times. In addition, although the Bank is not currently classified as a significant institution under the SSM, it may, in the future, be deemed a significant institution and hence subject to a greater degree of regulatory scrutiny. Additional, stricter and, or new regulatory requirements may be adopted in the future and the interpretation and application by regulators of laws and regulations to which the Bank is or may be subject may also change from time to time. The substance and scope of any such laws and regulations (including new and amended ones) as well as the manner in which laws and regulations are (or will be) adopted, enforced or interpreted could result in significant loss of revenue, limit the ability to pursue business opportunities in which the Bank might otherwise consider engaging or limit the Bank's ability to provide certain products and services, affect the value of assets held, impose additional compliance and other costs or otherwise adversely affect the Bank's business and, or its financial position.

2.2.2.2. The Bank is subject to the risk of future litigation or regulatory or administrative sanctions and investigations, the outcome of which are difficult to predict

Legal, regulatory and administrative action against credit institutions is increasing for a number of reasons including the evolving regulatory regime and higher expectations from regulators, investors, customers and other stakeholders. In particular, the Bank is exposed to a financial crime compliance risk. Financial crime compliance risk could arise if the Bank fails to comply with anti-money laundering and prevention of financing of terrorism rules, laws, and regulatory procedures and, or otherwise fail to identify suspicious transactions, activities, or connections and, or protect itself, its shareholders and its customers from the impact or commission of acts indicative of, or constituting, financial crime. These rules and regulations require the Bank to, *inter alia*, conduct customer due diligence, maintain up-to-date customer records, and design, implement and review internal controls, processes, procedures and policies for the ongoing monitoring and evaluation of customers and the risks associated with establishing and maintaining relations with its customers. This notwithstanding, the financial crime compliance requirements applicable to the Bank are regularly evolving with the detection, prevention, mitigation and combatting of money laundering and financial crime having been positioned at the forefront of the regulatory agenda globally.

Failure of the Bank to comply with applicable rules could thus arise from: (i) lack of adherence to and, or failure to adapt to, the appropriate, evolving, legal and regulatory regime and, or industry practice; (ii) lack of implementation of applicable directives, rules, regulations, FIAU guidance and, or internal procedures; and, or (iii) internal controls, processes, procedures and policies which are inadequate to ensure compliance with, and monitor the level of adherence to, the required legal and, or regulatory standards, inclusive of financial crime and other illegal practices, such as bribery and corruption.

The materialisation of these risks could expose the Bank to, *inter alia*, administrative sanctions, regulatory reprimands, temporary suspension of activities, revocation of authorisations (in whole or in part), or other regulatory interventionist measures, as well as significant reputational risk, which may nonetheless materialise, even if said sanctions are successfully appealed. Moreover, the Bank is also responsible for implementing and monitoring compliance with sanctions. Any failure on the part of the Bank to adhere to sanctions and any failure to adequately monitor and screen its customers, could result in administrative action or sanctions being imposed on the Bank which will in turn have an adverse effect on the Bank's reputation, financial performance and position.

2.2.2.3. The Bank is exposed to risks associated with the Recovery and Resolution Regulations

The Bank is subject to the BRRD, which has been transposed into Maltese law mainly (but not only) through the Recovery and Resolution Regulations (the BRRD and the Recovery and Resolution Regulations are hereinafter collectively referred to as the "**BRRD Package**"). The BRRD Package is designed to provide competent authorities and resolution authorities, as the case may be, with a set of tools to intervene early and quickly in the affairs of an unsound or failing bank so as to ensure the continuity of the bank's critical financial and economic functions, whilst minimising the impact of a bank's failure on the economy and financial system. Resolution authorities may intervene using one or more resolution tools, actions and, or powers in the event that the conditions set out in the Recovery and Resolution Regulations are met, namely that: (a) a bank is failing or likely to fail; (b) there is no reasonable prospect that alternative private sector measures would prevent the failure of a bank; and (c) a resolution action is in the public interest. The resolution authority established under Maltese law is the board of governors of the MFSA, which in turn appointed the Resolution Committee. The Resolution Committee is responsible, *inter alia*, to apply resolution measures and such other powers as set out in the first schedule to the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta). Under the Recovery and Resolution Regulations, the Resolution Committee has a very broad range of resolution tools, actions and, or powers in respect of the Bank including: (i) the sale of business tool, which enables the Resolution Committee to effect a sale of the whole or part of the business; (ii) the bridge institution tool, pursuant to which the Resolution Committee shall have the power to transfer to a bridge institution shares, other instruments of ownership, assets, rights and liabilities of the Bank; (iii) the asset separation tool, which enables the transfer of assets, rights and liabilities to one or more asset management vehicles; and (iv) the bail-in tool, pursuant to which the Resolution Committee has a broad range of powers, including, the power to take control of an institution and other powers set out in the Recovery and Resolution Regulations. The extent to which the Bank may become subject to any resolution action (including that set out above) will depend on a number of factors and it is difficult to predict when, if at all, any such action can be taken, particularly since, as at the date of this Registration Document, none of the conditions for the adoption of resolution action by the Resolution Committee subsist with respect to the Bank.

2.2.3. Operational risks

2.2.3.1. The Group is dependent on its information technology systems

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

Such failures can be caused by a variety of factors, many of which are wholly or partially outside the Group's control including: (i) natural disasters; (ii) extended power outage; (iii) cyber-attacks (including malware attacks, ransomware, phishing, hacking, data theft, unauthorised use of data, bugs, or other malicious interference); (iv) deliberate or accidental loss, alteration, falsification, or leakage of information; and, or (v) destruction, disruption, errors, or misuse of information systems.

Where the Group implements automation in several of its processes, the proper functioning of the Group's information technology systems also depends on accurate and reliable data and other system inputs, which may be subject to human errors. Given the Group's high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. In addition, any failure or delay in recording or processing the Group's transaction data could subject it to claims for losses and regulatory fines and penalties.

2.2.3.2. The Group may be subject to cyber-attacks

Cybersecurity risks will continue to increase due to factors such as the increasing demand for services delivered over the internet, increased reliance on internet-based products, applications and data storage, and malicious cyber activity. The conflict between Russia and Ukraine may increase the Group's exposure to the risk of cyber-attacks. Failure to protect the Group's operations from cyber-attacks may result in financial loss, disruption for customers or a loss of data. This could negatively affect the Group's reputation and its ability to attract and retain customers, and as it continues to grow and digitise at scale, it may be exposed to new cyber threats.

If any of the foregoing risks were to materialise, these could trigger material service and, or operational interruption which could adversely affect the Group's financial performance and financial condition.

2.2.3.3. The Group is exposed to risks relating to negative public opinion

Reputational risk is the current or future risk of a loss of goodwill, loss of customers and business and, or a decline in profits as a result of a negative perception of the Group's image by relevant stakeholders (including but not limited to shareholders, directors, employees, customers, counterparties and investors). Maintaining a reputation of the highest ethical and professional standards is of utmost importance to the Group. Negative publicity may arise from a number of activities, including but not limited to:

- breach of, or allegations of the Group having breached, legal and regulatory requirements such as money laundering, anti-terrorism financing and capital adequacy requirements, which may result in fines and, or other regulatory action being imposed or taken against the Group by, amongst others, the MFSA and, or FIAU;
- the Group acting, or facing allegations of having acted, unethically;
- the Group failing to address potential conflicts of interest;
- technology inefficiencies, disruption, or failures;
- poor performance or operational results;
- the Group failing to maintain appropriate standards of customer privacy, customer service and record keeping;
- risk of association in respect of issues being faced by competitors or the banking industry generally, which may or may not be directly applicable to the Group;
- unfavourable media coverage or measures taken by consumer protection bodies and, or consumer advocacy groups, including, in respect of the services and products offered by the Group; and, or
- failure by customers, consumer protection organisations, and the market at large, to understand the nature of the Group's business.

Modern technologies, in particular online social media channels and other communication tools that facilitate communication with large audiences in short time frames and with minimal costs, may significantly enhance and spread damaging allegations in respect of the Group.

The Group believes that negative public opinion may adversely affect the ability of the Group to retain customers or to attract new customers, which in turn could result in a material adverse effect on the Group's business, financial condition, prospects, and, or results of operations.

2.2.3.4. The Group may be unable to recruit and retain key personnel

The Group is dependent, to a degree, on the skills, competence, experience and efforts of its executives and other key personnel and upon their continued availability and commitment, and whose contributions to immediate and future operations are of significant importance. The loss of any of the Group's executives and other key personnel could negatively affect the Group's business operations.

Moreover, from time to time, the Group also needs to identify, train and retain additional skilled management and specialised personnel to operate the business efficiently. Recruiting and retaining qualified personnel is critical to the success of the Group's business and there can be no assurance of the Group's ability to attract and retain such personnel. Loss of skilled, competent, knowledgeable and experienced personnel will require the Group to devote time and resources in replacing such individuals with other personnel with the same or similar levels of skill and experience or covering their positions until an appropriate replacement may be found. This proves increasingly challenging in the context of current labour market realities and rising cost of living.

If the Group is not successful in attracting and retaining qualified personnel, its ability to effectively conduct its business could be affected, which could have a material adverse impact on the financial performance and condition of the Group.

2.2.3.5. The Bank is exposed to credit risk

Risks arising from adverse changes in the credit quality and recoverability of loans, securities and amounts due from counterparties are inherent in the Bank's business. The financial and capital strength of the Bank, and its profitability, depend on the creditworthiness of its customers, among other things. Credit risk is, therefore, an important factor in assessing the financial condition and performance of the Bank.

Credit risk involves the possibility that the Bank's contractual counterparties may not fulfil their payment obligations with the Bank as a result of various factors, including the borrower's loss of capacity to service and repay debt (due to, for instance, a lack of liquidity or insolvency) and, or the emergence of circumstances not specifically related to the economic or financial conditions of the debtor but to the general economic environment in which the debtor operates.

Credit risk may also arise as the Bank may, based on incomplete, untrue or incorrect information, grant credit that otherwise would not have been granted or that would have been granted under different conditions. In addition, in carrying out its credit activities, the Bank is exposed to the risk that an unexpected change in the creditworthiness of a counterparty may generate a corresponding change in the value of the associated credit exposure and give rise to the partial or total write-down of the credit granted, or require provisions for impairment.

Other banking activities, besides the traditional lending and deposit activities, can also expose the Bank to credit risk, such as credit enhancement through financial guarantees and letters of credit. The Bank is also exposed to other credit risks arising from investments in debt securities and other exposures arising from its investing activities. The counterparties of said transactions, or the issuers of securities held by the Bank (as the case may be), could fail to comply with their payment obligations due to insolvency, political or economic events, a lack of liquidity, operating deficiencies, or other reasons, all or any of which could negatively impact the Bank.

2.2.3.6. The Bank could be required to hold additional capital due to capital adequacy regulations

The Bank is required to adhere to capital adequacy regulations which require that it maintains appropriate capital resources in terms of both quantity and quality. Non-compliance with applicable capital requirements in the future may have a significant impact on the Bank's operations and future sustainability. In particular, a perceived or actual shortage of capital held by the Bank could result in actions by the regulatory authorities, including public censure and, or the imposition of sanctions. This may also affect the Bank's capacity to access funding, continue its business operations, generate a sufficient return on capital, pay variable remuneration to staff, pay future dividends, or pursue strategic opportunities, and could have a material adverse impact on the financial performance and condition of the Bank.

Additional, stricter and, or new regulatory requirements may be adopted in the future and the interpretation and application by regulators of laws and regulations to which the Bank is or may be subject may also change from time to time. The substance and scope of any such laws and regulations (including new and amended ones) as well as the manner in which laws and regulations are (or will be) adopted, enforced, or interpreted could result in significant loss of revenue, limit the ability to pursue business opportunities in which the Bank might otherwise consider engaging or limit the ability to provide certain products and services, affect the value of assets held, impose additional compliance and other costs, or otherwise adversely affect its business.

2.2.3.7. Concentration risk

Concentration risk arises due to a high level of exposure by the Bank to: (i) individual issuers or counterparties (single name concentration); (ii) a group of connected clients; (iii) industry sectors and geographical regions or countries (sectoral concentration); (iv) a single currency; and, or (v) credit exposures secured by a single security. Due to concentration risk, the associated credit risks could be significantly greater than those where no such high levels of exposure or connections exist. Given the size and nature of the domestic financial sector and the local economy, the Bank is exposed to concentration risk in its credit business.

The Bank's investment portfolio may also be exposed to concentration risk derived from excessive reliance on the same country, counterparty, sector or currency.

In addition, the deposit base of the Bank primarily consists of customers located in Malta and other EU countries. The Bank is highly exposed to any negative economic trends affecting Malta specifically and the EU generally, which may have an adverse effect on the Bank, its business and results of operations and financial condition. Moreover, the Bank's corporate loan portfolio is principally exposed to the real estate industry.

Any major downturn in economic activity in markets where the Bank is exposed to concentration risk could have a significant adverse impact on the financial performance and financial condition of the Bank.

2.2.3.8. Risks connected with the real-estate market

The Bank is exposed to the risks of the property market, as a result of, amongst others: (i) investments held directly in properties owned by it and through which it operates; (ii) loans granted by the Bank to companies operating in the property sector where the cash flow is generated mainly by the rental or sale of properties (commercial real estate); and (iii) loans granted to clients where the collateral securing the loan is immovable residential or commercial property.

With respect to (i) above, any downturn in the property market could result in the Bank having to make impairments to the real estate it owns at a value that is higher than the recoverable value, with consequent negative effects, including significant ones, on the operating results and capital and financial position of the Bank and, or the Bank. This risk is also relevant to MaltaPost, an indirect subsidiary of the Bank, which also owns several properties across the Maltese Islands.

With respect to (ii) above, any downturn in the real estate market could lead to a fall in market prices or a fall in the demand for real estate. As a result, the Bank's customers operating in the property sector may face a decrease in transaction volumes and margins, an increase in commitments resulting from financial expenses, as well as greater difficulties in refinancing, with negative consequences on the profitability of their activities, which could have a negative impact on their ability to repay the loans granted by the Bank.

With regard to (iii) above, a fall in property prices could translate into a reduction in the value of the collateral that could potentially be realised in the case of enforcement if the debtor defaults. In addition, poor market conditions and, or a protracted economic or financial downturn could lead to a fall in value of the collateral properties as well as create significant difficulties in terms of monetisation of the said collateral under the scope of enforcement procedures, with possible negative effects in terms of realisation times and values, as well as on the operations and financial position of the Bank.

2.2.3.9 The Group may be subject to significant regulatory fines and reputational damage should it not maintain resilient digital operations in line with evolving regulations

In the ordinary course of its activities, the Group utilises digital platforms and services. Such online platforms and services are subject to EU regulations which set out the testing, contractual and security measures that these platforms and services must comply with (as outlined in section 6.5.11 below). The law imposes obligations on financial entities to ensure such compliance and provides for penalties in the event of non-compliance.

These regulations will subject the Group to, among other things, additional costs and expenses and may require costly changes to the Group's business practices and information security systems, policies, and procedures. Moreover, security controls, training, testing and robust contracts in line with these regulations may not prevent damage to the Group's digital operations.

If the Group is found to be in breach of laws regulating digital operational resilience, the Group is at risk of facing regulatory enforcement actions (including administrative fines), increased supervision, temporary or permanent cessation of any practice or conduct and public notices which could result in loss of revenue, increased costs, liability for monetary damages, fines and, or criminal prosecution. Should such risks materialise, this could have a material negative effect on the operations, earnings and financial position of the Group.
In addition, any changes to the applicable laws and, or regulations, even at an EU level, could have a negative impact on the Group's activities, as it could create the need to incur costs for adapting to any new laws and regulations.

2.2.4. Risks related to the Bank's governance and internal controls

2.2.4.1. The Bank's risk management measures may not be successful

Risk constitutes the Bank's exposure to uncertainty from different sources including, but not limited to, credit risk, market risk, regulatory risk, strategic risk, liquidity risk and litigation risk. Whilst the Bank has processes, policies and mitigation techniques in place to identify and manage risks, the Bank may not be able to identify each potential unfavourable event. Failure to manage risks in an appropriate and, or timely manner could have a material adverse effect on the financial condition of the Bank. Moreover, should a regulator deem the Bank's risk management policies to be insufficiently robust for the Bank's operations, the Bank may be exposed to regulatory fines or regulatory investigations which, in turn, could have an adverse effect on the Bank's reputation.

2.2.4.2. Strategy risk

Strategy risk is the risk of suffering potential losses due to, among others, radical changes in the business environment or a lack of responsiveness to changes in the business environment, and, or improper implementation of strategic decisions. Although the Bank evaluates its strategies regularly, there can be no guarantee that these will be successful. This may have a negative impact on the Bank's risk profile, and, consequently, on its capital positioning, profitability, earnings, as well as its overall strategic direction in the long run.

2.2.4.3. The Group may be subject to significant regulatory fines and reputational damage should it not maintain robust data management and data privacy controls in line with evolving regulations

In the ordinary course of its activities, the Group collects, processes and stores personal data relating to its customers and employees. Such data processing activities are subject to various local laws and EU regulations relating to the collection and processing of personal data (as outlined in section 6.5.9 below). The laws impose onerous obligations on data controllers and processors insofar as the collection and processing of data is concerned and provide for significant penalties for non-compliance.

These requirements with respect to personal data have subjected and may continue to subject the Group to, among other things, additional costs and expenses and have required and may in the future require costly changes to their business practices and information security systems, policies, procedures, and practices.

Security controls over personal data, the training of employees on data privacy and data security, and the policies, procedures, and practices implemented, or which may be implemented in the future, may not prevent the damage to, the loss of or the unauthorised processing and, or disclosure of personal data.

If the data processing activities of the Group, or any of its third-party service providers, are found to be in breach of personal data protection or privacy laws, the Group is at risk of facing regulatory enforcement actions (including significant fines), increased supervision, the revocation or non-renewal of existing licenses, the refusal of a new application for a licence, as well as claims instituted by customers and reputational damages and loss of consumer confidence which could result in loss of revenue, increased costs, liability for monetary damages, fines and, or criminal prosecution. Should such risks materialise, this could have a material negative effect on the operations, earnings and financial position of the Group.

In addition, any changes to the applicable laws and, or regulations, even at an EU level, could have a negative impact on the Group's activities, because it could create the need to incur costs for adapting to any new laws and regulations.

2.2.4.4. Risks associated with borrowings and evaluation methods of the Bank's assets and liabilities

In conformity with the framework dictated by international accounting standards, the Bank is required to formulate evaluations, estimates and policies regarding the amounts of assets, liabilities, costs and revenues reported in the financial statements (as well as information relating to contingent assets and liabilities). The evaluations, estimates and related policies are based on past experience and other factors considered reasonable in the specific circumstances and are adopted to assess the assets and liabilities whose book value cannot easily be deduced from other sources.

The application of IAS by the Bank reflects its interpretation and decisions made with regard to said standards, which may be applied or interpreted differently by other relevant stakeholders.

Any of the foregoing could give rise to risks to the Bank, which could affect its financial position and financial performance, including in particular a write-down of its assets.

2.2.4.5. Systemic risk

The Bank may be negatively affected by "systemic" risk, which is the risk that a default of any one institution could lead to defaults by other institutions. Concerns about, or a default by, or a governmental "bail out" of, or "bail in" of, one institution could lead to significant liquidity problems, including increases in the cost of liquidity, losses or defaults by other institutions. Several factors could lead to enhanced systemic risk including contagion in financial markets, imbalances in financial systems, asymmetric information, or other events of a systemic nature. Such systemic risk could have a material adverse effect on the Bank's ability to raise new wholesale funding, which could affect its business, financial condition, results of operations, liquidity and, or prospects.

2.2.5. Risks related to MaltaPost and its subsidiaries

MaltaPost, an indirect subsidiary of the Bank, is the sole Universal Service Provider of postal services in Malta. As Malta's designated, licensed Universal Service Provider, MaltaPost is solely responsible for delivering various postal services to the public which includes, the clearance and delivery of letters and packages six days a week both domestically and internationally. MaltaPost is a financially significant subsidiary of the Issuer. Any material adverse effect on the business, financial condition of MaltaPost could, in turn, adversely affect the results of operations and prospects of the Group.

The MaltaPost group of companies comprises MaltaPost p.l.c. and the following significant subsidiaries and associate companies: Tanseana Limited, PostaInsure Agency Limited, and its associate company IVALIFE Insurance Limited.

The principal factors which have impacted and may continue to impact the business of the MaltaPost group of companies include:

i. **Further decline in letter mail volumes due to e-substitution:** MaltaPost's business as Malta's Universal Postal Service provider has for years experienced a year-on-year decline in traditional mail volumes due e-substitution such as e-mail and online services which allow one to send or make information available in a faster and, in most cases, in a more cost-effective manner than would be possible with traditional mailing services. A decline was further accelerated by the various measures implemented to prevent and contain the spread of Covid-19 which led to further digitisation and e-substitution and resulted in significant loss of business and revenue;

ii. **The impact of Brexit:** The withdrawal of the United Kingdom from the EU resulted in a drop in postal traffic from the United Kingdom. The effects of Brexit may continue to contribute to a decline in letter mail volumes.

iii. **Withdrawal of VAT exemptions:** The EU's decision to withdraw VAT exemptions on all items bought from outside the EU costing below €22 has had and may continue to have an adverse effect on inbound postal volumes.

iv. **Intensifying competition:** Last-mile delivery of inbound postal business in Malta is becoming increasingly competitive placing significant pressures on tariff rates. This situation is driven by relatively low barriers to entry, the growth in e-commerce volumes and the presence of competitors that are unburdened by regulatory and universal service obligations and associated costs.

v. **Inability to maintain staff resourcing in line with business needs:** MaltaPost's performance and its future growth depends on its ability to attract and retain staff with the appropriate level of skills, knowledge and experience. This is becoming increasingly challenging and is placing unnecessary wage pressure reinforced by labour shortages and rising cost of living.

vi. **Market risk:** MaltaPost's activities potentially expose it to a variety of market risks: financial risks (including foreign exchange risk, cash flow and interest rate risk), credit risk, and liquidity risk. Failure to manage risks in an appropriate or timely manner could have a material adverse effect on the financial condition of MaltaPost and, in turn, on the financial condition of the Group.

vii. **Regulatory developments:** The MaltaPost Group must comply with a wide and diverse set of laws and regulations. This has increased in view of MaltaPost's diversification initiatives in highly regulated industries, such as the involvement in PostaInsure Agency Limited and IVALIFE Insurance Limited in the insurance industry. Failure to comply could translate in regulatory scrutiny, liability and reputational damage.

3. PERSONS RESPONSIBLE AND STATEMENT OF APPROVAL

3.1. Persons Responsible

The Directors of the Issuer are the persons responsible for the information contained in this Registration Document. To the best of the knowledge and belief of the Directors (who have all taken reasonable care to ensure such is the case), the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Issuer accept responsibility accordingly.

3.2. Statement of Approval

This Registration Document 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 Registration Document 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 Issuer (as the subject of this Registration Document) and, or the Group.

4. STATUTORY AUDITORS AND ADVISERS

4.1. Statutory Auditors

PricewaterhouseCoopers ("PWC")
78, Mill Street
Zone 5, Central Business District
Qormi, CBD 5090
Malta

The annual statutory financial statements of the Issuer for the financial years ended 31 December 2020, 31 December 2021 and 31 December 2022 have been audited by PWC, a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta). The Accountancy Board registration number of PWC is AB/26/84/38.

4.2. Advisers

LEGAL COUNSEL	Name: **Camilleri Preziosi** Address: Level 3, Valletta Buildings, South Street, Valletta, VLT 1103, Malta
SPONSORS & CO-MANAGERS	Name: **Rizzo, Farrugia & Co. (Stockbrokers) Ltd.** Address: Airways House, Fourth Floor, High Street, Sliema, SLM 1551, Malta
	Name: **Calamatta Cuschieri Investment Services Limited** Address: Ewropa Business Centre, Triq Dun Karm, Birkirkara, BKR 9034, Malta
REGISTRAR	Name: **Malta Stock Exchange p.l.c.** Address: Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta

The services of the Issuer's advisers in respect of the 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 Issuer or an investment in the rights issue upon which the Issuer's advisers have not been consulted. The Issuer's advisers do not undertake to monitor the compliance by the Issuer with its obligations as described in the Prospectus, nor do they monitor the Issuer's activities for compliance with applicable laws. Additionally, the Issuer's advisers have relied and continue to rely upon information furnished to them by the Issuer and its Directors, and have not investigated or verified, nor will they investigate or verify, the accuracy and completeness of information set out herein concerning the Issuer and, or the Group, the Issuer's service providers or any other parties involved in the rights issue (including all of their respective affiliates, directors, officers, employees and agents). Moreover, the Issuer's legal counsel and the other advisers accept no responsibility for any description of matters in the Prospectus that relate to, and any issues arising from, any applicable law that is not Maltese law.

5. INFORMATION ABOUT THE ISSUER

5.1. History and development of the Issuer

LEGAL AND COMMERCIAL NAME	Lombard Bank Malta p.l.c.
REGISTERED ADDRESS	67 Republic Street Valletta, VLT 1117 Malta
PLACE OF REGISTRATION AND DOMICILE	Malta
REGISTRATION NUMBER	C 1607
LEGAL ENTITY IDENTIFIER ('LEI')	529900UIRB65OY6U4B21
DATE OF REGISTRATION	13 May, 1969
LEGAL FORM	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act.
TELEPHONE NUMBER	+356 2558 1117
EMAIL	mail@lombardmalta.com
WEBSITE	www.lombardmalta.com

Unless it is specifically stated herein that particular information is incorporated by reference into the Prospectus, the contents of the Issuer's website or any other website directly or indirectly linked to the Issuer'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 rights issue.

5.2. History and development of the Group

The Bank has been in operation for over 50 years, having been registered in Malta as a limited liability company in 1969. At the time of its incorporation, it was owned by Lombard Banking Limited, a subsidiary of National Westminster Bank. In 1971, Lombard Banking Limited and North Central Finance (also a subsidiary of National Westminster Bank) merged into the newly-formed company, Lombard North Central. By virtue of a series of acquisitions between 1975 and 1988, the Government of Malta acquired 99.99% of the issued share capital of the Bank. In 1994, the Bank's shares were admitted to the Official List of the Malta Stock Exchange. The issue was five times oversubscribed and the Government of Malta subsequently divested itself of all its shareholding in the Bank.

In 2006, the Bank, through its subsidiary Redbox Limited, acquired 35% of the shareholding in MaltaPost. In 2007, Redbox Limited acquired additional shares in MaltaPost, resulting in MaltaPost becoming an indirect subsidiary of the Bank. In 2008, the shares of MaltaPost were admitted to the Official List of the Malta Stock Exchange.

Between 2007 and 2018, Cyprus Popular Bank Public Co. Limited (previously Marfin Popular Bank) held a shareholding in the Bank. In March 2018, the National Development and Social Fund, an agency of the Government of Malta established in 2015 which as reported on its website (www.ndsf.com.mt) receives, from the Identity Malta Agency, the Maltese Individual Investor Programme Agency and the Community Malta Agency, funds generated by the *Individual Investor Programme* for use and administration thereof in the public interest (the "**NDSF**"), agreed to acquire from Cyprus Popular Bank Public Co. Limited (the shareholder of the Bank at that time), 49.01% of the total issued share capital of the Bank, subject to the fulfilment of a number of conditions.

In August 2018, the Bank received notice from the NDSF that such conditions had been fulfilled, including the approval of the Malta Financial Services Authority (and the ECB) for the acquisition of the shareholding in the Bank by NDSF. At the time, NDSF reaffirmed that:

- it did not intend increasing its holdings in the Bank;
- it would not act in concert with any other shareholders;
- it would seek to reduce its shareholding in the Bank in an orderly manner, at the right market conditions and by agreement with the regulatory authorities;
- it had no intention of exerting any influence on the operations of the Bank; and
- this acquisition would not result in a change in control of the Bank.

In November 2018, the Bank was notified by the NDSF of its *"…firm intention to dispose of all or part of its shareholding in the Bank and to commence the process for the disposal in an orderly manner"*. The NDSF informed the Bank that the completion of the disposal would be conditional and dependent on market conditions, regulatory approvals and other conditions which are currently being evaluated by the NDSF. To date, the NDSF still holds 49.01% in the Bank.

In 2019, MaltaPost together with APS Bank p.l.c., Atlas Insurance PCC Ltd and GasanMamo Insurance Limited formed IVALIFE Insurance Limited, a company carrying out the business of life insurance. In 2020, MaltaPost acquired a 49% shareholding in PostaInsure Agency Limited, a company carrying out the business of general insurance as agent for Mapfre Middlesea p.l.c.

In 2021, the Bank established two wholly-owned subsidiaries, Lombard Capital Asset Management Limited and Lombard Select SICAV p.l.c. These two companies are not yet operational.

6. BUSINESS OVERVIEW

6.1. The Issuer and the Group

The Bank is a Malta-based credit institution, licensed under the Banking Act. It is also licensed to carry out investment services in terms of the Investment Services Act and is an enrolled Tied Insurance Intermediary of IVALIFE Insurance Limited under the Insurance Distribution Act. The Bank is a member of the *Depositor Compensation Scheme* and the *Investor Compensation Scheme*, both of which are established under the laws of Malta, as well as a member of the Malta Stock Exchange for the purpose of carrying out of stock brokerage services on the Official List of the Malta Stock Exchange. Together with its Subsidiaries, the Bank provides a wide range of banking and financial services to the local market through its distribution network.

The Group comprises the following Subsidiaries of the Bank: Redbox Limited, Lombard Capital Management Limited and Lombard Select SICAV p.l.c. Redbox Limited was registered in 2006 and serves as the holding company for the Bank's 72.03% stake in MaltaPost, a company which has its ordinary share capital listed on the Malta Stock Exchange. MaltaPost is Malta's leading postal services company, being the sole licensed Universal Service Provider of postal services in Malta. In turn, MaltaPost owns the entire issued share capital of, *inter alia*, Tanseana Limited, a document management company incorporated in 2016, as well as a 25% interest in IVALIFE Insurance Limited, a life insurance company, and a 49% shareholding in PostaInsure Agency Limited.

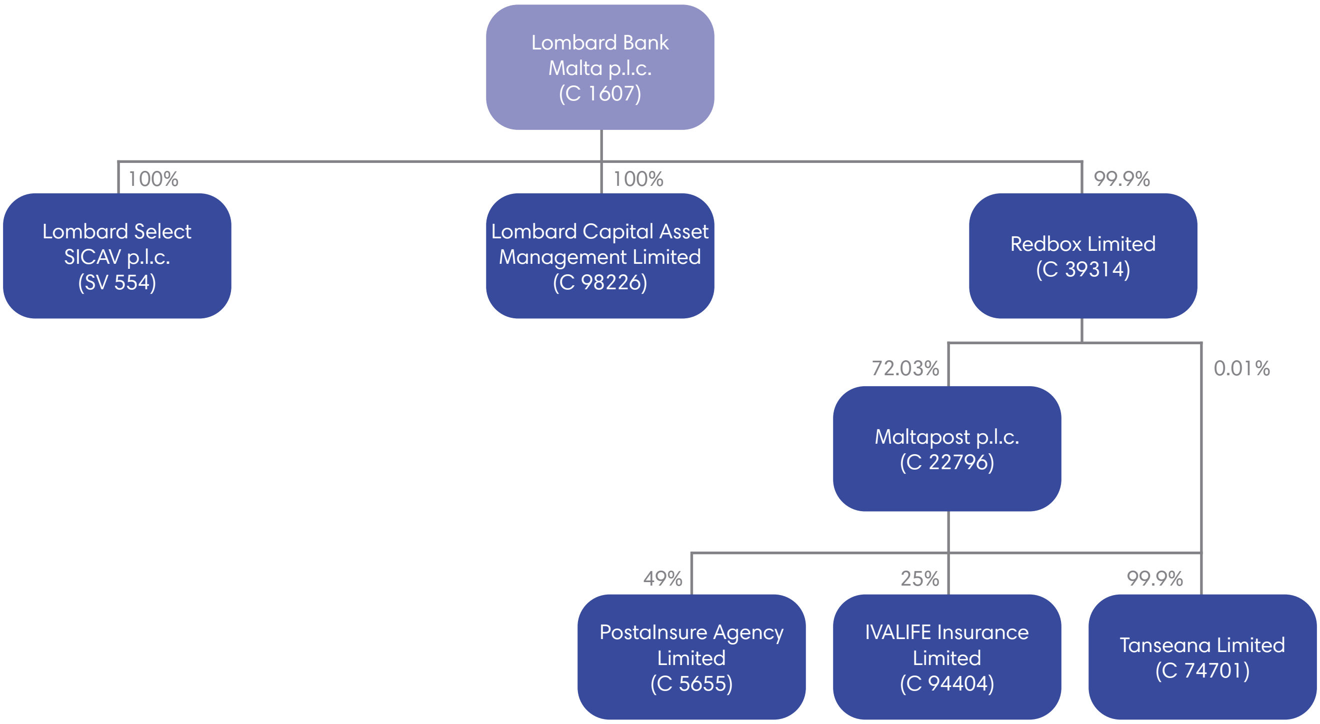
Lombard Capital Asset Management Limited is licensed to act as a UCITS management company and was established to provide investment management services to undertakings for collective investment schemes.

Lombard Select SICAV p.l.c. holds a collective investment scheme licence in terms of the Investment Services Act.

Further information on the principal activities of the Group is set out in section 6.3. of this Registration Document.

6.2. Organisational Structure

The organisational structure below sets out the position of the Issuer within the Group and the significant Subsidiaries of the Issuer:



The Bank is also the parent company of Lombard Asset Managers Limited (C 28186), currently in dissolution.

The Bank is the parent company of the Group and was incorporated on 13 May 1969. A brief overview of the activities of each of the Bank's significant Subsidiaries, and of the activities of MaltaPost and its significant subsidiaries and associate companies are set out below:

- **Lombard Select SICAV p.l.c.** was incorporated on 24 February 2021 and holds a collective investment scheme licence issued by the MFSA in terms of the Investment Services Act. It is structured as a multi-fund public limited liability company with variable share capital (SICAV) pursuant to the Act.

- **Lombard Capital Asset Management Limited** was incorporated on 18 February 2021 and holds a Category 2 Investment Services Licence issued by the MFSA authorising it to act as a UCITS management company. It is licensed to provide investment management services to collective investment schemes and is the UCITS manager for Lombard Select SICAV p.l.c. funds.

- **Redbox Limited** was incorporated on 10 August 2006 and is the holding company for the Bank's 72.03% shareholding in MaltaPost p.l.c., with the remaining 27.97% of the ordinary share capital of MaltaPost p.l.c. being held by the general public.

- **MaltaPost p.l.c**. was incorporated on 16 April 1998 and is Malta's leading postal services operator, being the sole licensed Universal Service Provider of postal services in Malta. It was listed on the MSE on 24 January 2008 and is regulated by the Malta Communications Authority. MaltaPost p.l.c. has its head office located in Marsa and operates 6 postal hubs, 41 post offices and 27 sub-post offices across Malta and Gozo.

- **PostaInsure Agency Limited** was incorporated on 6 October 1981 and is licensed to act as an agent of MAPFRE Middlesea p.l.c. in terms of the Insurance Distribution Act.

- **IVALIFE Insurance Limited** was incorporated on 24 December 2019 and is licensed to provide Class I (life and annuity) and Class III (linked long term), long-term business of insurance.

- **Tanseana Limited** was incorporated on 8 March 2016. It provides document management services including, but not limited to, scanning, printing, shredding, storage and retrieval of digital and, or physical documents.

6.3. Principal Activities

The Bank offers a full range of traditional commercial and retail banking services to the local market through its branches and distribution network. Its main business lines include deposit-taking and lending to its customers with a focus on providing a personalised service. In recent years, the Bank was also gradually increasing its exposure to the home loans sector and expanding its card business.

The Bank's activities include:

a. Deposits

The Bank receives and accepts both corporate and personal customers' monies for deposit on *Current, Savings* and *Term Deposit* accounts at both fixed and pre-determined fixed step-up rates and for varying maturity periods. The Bank also receives and accepts deposits in foreign currency.

b. Credit

The lending activity of the Bank consists principally of commercial and retail lending. Commercial lending is largely characterised by loan facilities to the commercial sector with short to medium-term maturities. The Bank provides financing services to an array of corporate entities from small business ventures to larger enterprises in varying industry sectors and these services include overdraft facilities, commercial working capital facilities and foreign currency loans at fixed or variable interest rates. Retail lending consists mainly of home loan facilities with medium to long-term maturities.

Historically, the Bank's business operations were principally focused on servicing its corporate client base and the funding of activities in the commercial sector. One of the Bank's strategic objectives is to increase its retail lending. The Bank aims to increase its home and personal loan market share by offering new products which address market demand and requirements.

c. Investment services

The Bank holds an investment services licence under the Investment Services Act. It provides a comprehensive suite of investment products and services that meet customers' needs. These include stockbroking, advisory and discretionary portfolio management services. Such services are offered to both retail and professional clients as well as eligible counterparties clients. In order to meet the customers' holistic needs, other services are offered, including the reception and transmission of orders, execution of orders and placement of instruments without a firm commitment in relation to one or more instruments. The Bank also offers custodian and nominee services.

The Bank provides a highly personalised service driven by experience, professionalism, trust and long-term relationships.

The Bank is also a member of the Malta Stock Exchange and carries out stock broking activities.

d. Investment funds and UCITS management

Lombard Capital Asset Management Limited holds a category 2 investment services licence under the Investment Services Act and is authorised to provide investment management services to undertakings for collective investment schemes (UCITS schemes). As at the date of this Registration Document, Lombard Capital Asset Management Limited is appointed as the UCITS investment manager to Lombard Select SICAV p.l.c. Lombard Select SICAV p.l.c has four sub-funds authorised, but none have been launched to date.

e. International Business Banking (IBB) services

The Bank selectively extends banking services to companies operating from Malta, as well as to pension scheme administrators. Customers' daily banking needs, particularly those related to transaction banking, are facilitated by the Bank's digital channels, while also giving importance to retaining personal relationships.

f. Tied insurance intermediary services

The Bank is enrolled as a tied insurance intermediary of IVALIFE Insurance Limited under the Insurance Business Act for long-term insurance business and can, accordingly, provide its home loan customers with a more comprehensive service offering. MaltaPost is also a tied insurance intermediary of IVALIFE Insurance Limited and of PostaInsure Agency Limited under the Insurance Distribution Act. IVALIFE Insurance Limited, is licensed to provide Class I (life and annuity) and Class III (linked long term), long-term business of insurance.

g. Ancillary services offered by the Group

The Group also provides a number of other services, including digital banking services, bullion gold and silver coins, payment services, safe deposit lockers, automated teller machines and document management services.

MaltaPost continues to seek growth in the non-postal sectors of the business away from the traditional services with diversification into logistics, document management, insurance, financial and related services. In this regard, MaltaPost also acts as a payment services agent for the Bank in respect of the PostaPay&Save Payment Account. This is a basic payment account in terms of the relevant legislation and is virtually free of any charges. Among other benefits, it allows customers to deposit and, or withdraw funds at any of the MaltaPost post offices, and branches and ATMs of the Bank. The account facilitates the receipt of salaries while also allowing customers to effect outward payments.

MaltaPost also acts as a distribution channel for information concerning the PostaHomeLoan, which is a home loan package, predominantly directed at first-time home buyers. PostaHomeLoan offers advantageous terms including competitive and flexible interest rates, with discounted fees. Prospective applicants may also book appointments through Post Offices and have the convenience of meeting the Bank's officials at a nearby Post Office.

Both are banking products, provided and maintained by the Bank.

Furthermore, as at the date of this Registration Document, MaltaPost also offers other non-postal services such as local and international money transfers, encashment of Central Bank of Malta cheques and bill payments, such as those of utilities, licences, telecom companies, VAT and income tax.

Document management services, including scanning, printing, shredding, storage and retrieval of digital and, or physical documents services, are offered through Tanseana Limited, a wholly-owned subsidiary of MaltaPost.

6.4. Business Strategy of the Bank

The Bank's strategy is underpinned by a fundamental adherence to the concept of prudence. The Bank believes that its chosen target market is attractive and offers substantial growth opportunities with relatively low risk.

In H2 2022, the Board of Directors considered and approved an update of the Bank's strategy for further growth over the forthcoming three-year period. Looking ahead, the strategy takes into account the Bank's current market position and sets out plans for growth, though without the need for assuming a higher risk appetite than that as at present and while improving on the current levels of cost optimisation.

Since its inception in 1969, the Bank's business model has been founded on the traditional characteristics of prudent banking. Over the last 15 years, the Bank has focused on the financing of real-estate related activities in line with the local economic dynamics while predominantly targeting those corporate customers that enjoy good creditworthiness, thereby resulting in cost-effective and relatively low-maintenance relationships for the Bank. It shall retain its policy of maintaining strong liquidity positions funded by a diversified deposit base. In its funding requirements it has not, to date, relied on the interbank or capital markets. The Bank did not need recourse to any form of external support, even in the depths of the 2008 Global Financial Crisis.

Over the years, the Bank increased its stake in MaltaPost p.l.c., from the 35.00% shareholding it acquired in 2006 to the current 72.03%. It is worth noting that this shareholding was fully funded by revenues generated internally by the Bank without resorting to shareholders for additional capital. Furthermore, since then, the Bank also generated significant shareholder value as its shareholder funds grew from €44.5 million to €136.6 million (as at 30 June 2023). In over 20 years, the Bank has always and only increased its capital by the generation of profits – while concurrently also paying out dividends to its shareholders.

In summary, over the 3-year planning period, the Bank shall aim to:

- identify attractive market opportunities which are within the Bank's prudent risk parameters;
- grow fee-based non-interest income line of business;
- scale up the range of traditional commercial and retail banking services;
- increase the physical footprint by further expanding the branch network, which is expected to attract new business to the Bank and which will continue to allow the Bank to provide a personalised customer service experience;
- leverage on the wider market presence to foster new relationships across a wider demographic spectrum;
- continue to offer rewarding career paths to attract and retain high-quality staff;
- maintain the highest standards of professional conduct;

- increase visibility in the market, among others through improved marketing exposure;
- address wider stakeholder interests consistent with its corporate values;
- continue to deliver a progressive policy of increasing shareholder value; and
- seek to further develop and maximise synergies with its subsidiary, MaltaPost.

The execution of this strategy considers the opportunities and threats which arise from the current economic environment and competitive landscape. Apart from generating high-quality and repeat business, investing in existing relationships also ensures lower inherent risk. The Bank also intends to continue to develop and deepen its business relationships with its existing customers.

Further investment in IT and digital channels will remain a priority of the Bank with the objective of increasing efficiency, while also alleviating pressures on human resources.

The strategy will equip the Bank to look to the future with confidence, as a larger capital base offers significant scope for benefiting from economies of scale and the prospect for attractive risk-adjusted returns. This should deliver for shareholders solid long-term growth by way of share price appreciation and dividend.

6.4.1 Revenue growth and cost efficiencies

A larger capital base will allow the Bank to grow its revenue streams further, without increasing its risk appetite or profile. The strategy also aims to maximise opportunities to diversify the loan book and to develop non-interest income, further improving the risk profile of the revenue stream.

The Bank aims to maintain a broadly constant loans-to-deposits ratio. Following the rights issue, and over the following three-year period, the Bank plans to grow its loan book to above €1 billion. The deposit base is projected to exceed €1.3 billion over this period.

A larger Bank will also present fresh opportunities to optimise the cost base, not least by investing in state-of-the-art IT systems, to assist in the simplification and automation of certain processes, facilitating among others, customer engagement. This will raise the Bank's profile and improve access to new business, occupying a market void which has been developing over some time.

The application of the tried and tested strategy and approach to business will allow the Bank to benefit from significant economies of scale, leading to a higher operating margin, an attractive increase in profits, and the prospect of a higher dividend payout.

In this regard, and as further explained in section 14 of this Registration Document, it is intended to recommend that *circa* one third of profits be made available for distribution as dividends, subject to the requirements of the Bank at the time and the regulatory approval.

6.4.1.1 Growth in income

The Bank has identified growth opportunities in both the interest and non-interest income segments.

i. Growth in interest income

The consistent receipt by the Bank of sensible requests for credit, leads the Bank to believe that its loan book has the potential for significant growth, both in commercial as well as in retail lending including home loans. While the Bank will continue in its efforts to widen its income streams, the forecast growth in its loan book, referred to in section 6.4.1 above, is expected to be a key driver of revenue growth.

The Bank's home loan and personal lending products are currently among the more competitive in this segment where market response has been encouraging. The Bank entered this sector in 2020 when by the end of the first half of 2023, home loans reached a total of €194.1 million (20% of total loans). Home loan activity on the Bank's loan book is expected to continue contributing to the future growth of the Bank, this being in line with the ultimate objective of achieving a diversified loan book.

ii. Growth in non-interest income

Lombard Select SICAV p.l.c., which holds a MFSA collective investment scheme licence under the Investment Services Act, intends to launch sub-funds with the objective of providing a diverse offering which can address market-demand segments. The sub-funds will be launched progressively. Lombard Select SICAV p.l.c. has four licensed sub-funds, the Malta Income

Fund, the Global Select Equity Fund, the Lombard Prudential Fund and the International Income Fund. As at the date of this Registration Document, the said funds have not been launched, though are planned for launch following the conclusion of the rights issue. It is intended that over a five-year period, the targeted income from such funds will contribute significantly to the Bank's non-interest income.

The Bank also plans to enhance the offering by way of a more personalised service provided by certified advisors. High net worth clients will be catered for through a dedicated office, with a personalised managed portfolio service focusing on individual requirements.

As a recently licensed tied insurance intermediary of IVALIFE Insurance Limited, the Bank is set to offer the full suite of *IVALIFE* products through its branch network.

A larger customer base should drive growth in transaction fees primarily those related to the transmission of funds and card-related business.

6.4.2 Further strengthening financial indicators

In the event that the Rights Issue were to be fully subscribed, the Bank's Total Capital Ratio (TCR) would increase, to *circa* 20%.

The interesting number of applications for bankable lending that are consistently received, reassures the Bank that the availability of additional capital will result in increased net interest income. This, coupled with the benefits of the economies of scale, will result in higher Operating Income which is targeted to rise by 50% over the 3-year planning period.

6.4.3 Investment in, and extension of, the Bank's distribution network

The Bank prides itself in offering a personalised customer service experience while remaining mindful of the expectations of its wide stakeholder base. It has made the strategic choice of expanding its physical footprint to a meaningful level, though always selectively and prudently. It firmly believes that the physical presence of the Bank remains an important element in the local market, more so in respect of customers who demand a personalised service through human interaction.

The Bank shall continue to form part of the Maltese social, economic, and cultural fabric. While offering its products and services through both traditional and virtual channels, a significant distribution channel consists of its network of branches and ATMs situated at locations in various areas of Malta and Gozo, as well as a network of offices also offering International Business Banking services, trade services and wealth management services.

As a matter of policy and in support of its solid commitment to the Maltese community, as well as its business strategy in enhancing the underlying value of the Bank, the branches are, in the main, wholly-owned by the Bank. In the marketplace, these properties now form part of the Bank's identity and image. Through various projects, buildings have been successfully converted to commercial premises with the infrastructure expected of a modern office, while respectful of the heritage elements and design. The Bank considers the properties it acquires and converts as providing a dual benefit for the Group's operations, namely, that of enhancing the Bank's image in the marketplace as well as forming part of its corporate social responsibilities in view of its contribution to the restoration of historic landmark properties.

As at the date of this Registration Document, the Bank's distribution network consists of 12 branches and 20 ATMs situated across Malta and Gozo. The Bank plans to continue strengthening, albeit selectively, its distribution network across the Maltese Islands. Currently, the Bank operates from 18 properties with a further two properties earmarked as branches.

Apart from the traditional channels, the Bank also provides its services through virtual channels which it aims to significantly improve through additional investment. Its focus will be on improving the customers' digital experience and gaining market share in the younger demographic segment. To this end, the Bank is set on modernising its internet banking portal, investing in a mobile application, and expanding its network of ATMs.

Investment in digital channels is an important part of the Bank's business strategy. Digital channels are considered complementary to a physical distribution network but not in replacement of it. The Bank remains committed to investing in infrastructural technologies to increase efficiencies and improve customer service, blending digital and human interaction.

6.4.4 Strengthening the Group's ESG programme

Worldwide climate and environmental matters are featuring more prominently, resulting in a rapidly changing regulatory landscape, particularly within the European Union. This creates opportunities for the Bank to develop sustainable financing solutions thereby acting as facilitators for the transition towards a net-zero emissions economy and assisting the community in adapting to the impacts of a changing climate.

In response thereto, in 2023, the Bank developed an action plan outlining the measures through which the Bank aims to minimise the negative impact that its operations may have on society and the environment. The Bank is currently in the process of performing a business-environment risk assessment to serve as the foundation of this action plan. This will ensure effective implementation and compliance with expectations set by the local regulator, while also preparing for upcoming European regulatory requirements.

The Bank is mindful of the important role it has to play to contribute towards safeguarding the environment as much as is possible, thereby minimising the environmental impact of its operations. Taking an environmentally friendly position and implementing measures to reduce the Bank's carbon footprint fits within the overall corporate social responsibility initiatives of the Bank. The Bank expects to continue with its programme of investment aimed at reducing reliance on fossil fuel power as far as practical and opportune.

The Bank acknowledges that the implementation of an ESG sensitive strategy is important for the Bank's continued success. Over the years, the Bank has restored, converted and curated a number of sites of significant architectural value, which it occupies for its own operations such as Palazzo Spinola in Republic Street, Valletta and a landmark property on Tower Road, Sliema. Planning permission is also in hand to convert into a branch another important property located on Saqqajja Hill, Rabat (Malta). These properties are now a hallmark of the Bank, in line with the Bank's image of being traditional and firmly established.

The Group is also conscious of the manner in which it performs its operations, seeking to identify measures that contribute towards safeguarding the environment as much as is reasonably possible, thereby minimising the impact of its operations on the environment. In this respect, the Bank and MaltaPost, both have adopted a number of other recent environmental initiatives adopted by the Bank including: (i) the installation of PV panels and other energy-efficient installations; (ii) the implementation of waste separation facilities; and (iii) the implementation of recycling processes.

MaltaPost has recently replaced most of its fleet of fuel-powered motor vehicles with electric vehicles. At the date of this Registration Document, the fleet consists of over 70 vehicles which number is set to exceed 100 electric vehicles over the course of a few months thus, substantially reducing MaltaPost's, as well as the Group's, overall carbon footprint. MaltaPost also manages a postal museum housed in a restored building in Valletta thereby ensuring the preservation of the philatelic heritage of the Maltese Islands.

Going forward the Group will continue to strengthen and extend its ESG programmes and initiatives as well as its corporate social responsibility programmes, including through further engagement with the local community and the pursuit of initiatives and campaigns for good social causes. The Bank intends to follow developments closely so as to ensure that relevant aspects are incorporated in its risk management framework. ESG workshops were held in 2022 to assist the Bank in the execution of its action plan. The action plan which delves into a number of aspects including but not limited to an impact analysis of the current business environment, training, committing to a percentage reduction in Scope 3 emissions financed carbon and integrating climate and environmental risks into the Bank's control systems. These measures will ensure that climate-related and environmental risks will play an integral part of the Bank's overall business strategy, business objectives, and risk management framework resulting in compliance with its ESG obligations, once regulation becomes binding.

6.4.5 Enhancing the synergy between the Bank and MaltaPost

Certain low-cost financial services are offered through MaltaPost, acting as the Bank's payment services agent in respect of the *PostaPay&Save* Payment Account. The financial services offered by the Bank through MaltaPost also include the encashment of Central Bank of Malta cheques.

MaltaPost is also a tied insurance intermediary for life and general insurance of IVALIFE Insurance Limited and PostaInsure Agency Limited under the Insurance Distribution Act. Selectively, the Bank and MaltaPost also share the use of immovable properties for their operations. In this regard, premises in Attard, Zejtun and St Julian's house both a branch of the Bank as well as a MaltaPost office, with each maintaining independent operations.

The relationship of the Bank with MaltaPost and its respective retail networks stands to provide significant synergistic opportunities. These include the gradual introduction of a financial services culture within MaltaPost which will serve as the platform for further growth away from the traditional postal services and related logistics business.

6.4.6 Investment in resources

Investment in both human resources and infrastructural technologies remains at the forefront of the Bank's strategy to increase visibility and growth. Building on the objectives of its business plan, the Bank intends to update its existing core banking system and implement specialist IT systems designed to digitise certain workflows and automate regulatory reporting.

As at end 2022, the Bank employed 209 employees. It intends to continue to increase investment in training and development of skilled persons, with a view to strengthen efficiencies further.

While human interaction will continue to be the basis for customer relationships, the Bank shall also invest further in customer relationship management systems to enable customers communicate directly with their relationship officers at their respective branches. The Bank believes that efficient and easy access to relationship officers contributes significantly to customer satisfaction.

The Bank will seek to improve its marketing function, particularly in the social media space, with the objective of attracting new prospective customers and investors as well as remaining closer to its existing customer base.

6.5 Regulatory Framework of the Bank

The Bank operates in a complex regulatory environment and is subject to a number of prudential and regulatory requirements set by various laws and regulations. The regulatory framework applicable to the Issuer is broadly described below.

6.5.1. The CRD and CRR

The Bank is subject to the CRR and the CRD. The CRR and the CRD largely reflect Basel III, the internationally agreed set of measures on capital requirements for banks in relation to the risks that they assume, and developed by the Basel Committee on Banking Supervision.

CRR
The CRR is directly applicable in all Member States and sets out rules concerning general prudential requirements that credit institutions need to comply with, such as: (i) own funds requirements; (ii) requirements limiting large exposures; (iii) liquidity requirements; (iv) reporting requirements; and (v) public disclosure requirements. The CRR has been subsequently amended, amongst others, by the CRR II which introduced rules concerning, *inter alia*, the requirement for credit institutions to hold eligible liabilities and the disclosure of prudential information on ESG risks.

CRD
The CRD requires transposition into the national regulatory framework. Locally, the CRD has been transposed and implemented through the Banking Act and the subsidiary legislation and banking rules issued thereunder. The CRD seeks to set uniform rules in respect of, amongst others: (i) authorisation and supervision requirements for credit institutions; (ii) initial capital requirements; (iii) approval requirements for financial holding companies and mixed financial holding companies; (iv) prudential supervision rules; (v) governance arrangements; and (vi) capital buffer rules.

The latest revisions to the CRD were carried out by virtue of CRD V. The revisions - which were implemented and transposed into the Maltese legislative framework - included changes to the additional own funds requirement which the MFSA may impose as a result of the Supervisory Review and Evaluation Process (SREP) assessment; and changes to Banking Rule BR/01, Banking Rule BR/12, Banking Rule BR/15, Banking Rule BR/21 and the introduction of a new Banking Rule BR/24 setting out the requirements on internal governance of credit institutions.

Delegated and implementing acts, regulatory technical standards and guidelines
The CRR and CRD are supplemented by a number of delegated and implementing acts, binding regulatory technical standards developed by the EBA and adopted by the European Commission and guidelines issued by the EBA. These documents provide detailed rules and guidance on certain aspects regulated by the CRR and CRD and specify how competent authorities and institutions are to comply with the obligations laid down therein, in order to give full effect of the CRR and CRD.

Proposed amendments
The European Commission presented its proposals on a review of the CRR and the CRD on 27 October 2021. The European Council agreed its general approach on the proposals on 8 November 2022. Trilogues with the European Parliament started on 9 March 2023, and in June 2023, a provisional political agreement was reached between the European Council and the European Parliament on the amendments to the CRR and the CRD.

The CRD is proposed to be amended by virtue of a directive ("**CRD VI**"). CRD VI will amend certain aspects of the CRD, including, *inter alia*, supervisory powers, sanctions, third-country branches and ESG risk. The CRR is proposed to be amended by virtue of a regulation ("**CRR III**"), which will amend the CRR as regards, *inter alia*, requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor. The proposals implement the international Basel III standards while taking into account specificities of the EU economy. CRR III is expected to apply from 1 January 2025, with certain elements of the regulation phasing in over the coming years, and EU Member States are expected to have until 30 June 2026 to transpose CRD VI.

6.5.2. BRRD

The BRRD establishes a framework for the recovery and resolution of, *inter alia*, credit institutions, financial institutions, financial holdings companies, mixed financial holding companies and mixed activity holding companies established in the EU.

The main scope of the BRRD is to provide relevant national competent authorities with a set of tools to intervene sufficiently early and quickly in an unsound or failing institution, so as to ensure the continuity of the institution's critical financial and economic functions. The BRRD has been transposed and implemented into the Maltese legal framework through the Recovery and Resolution Regulations, which established a legal regime requiring institutions (such as the Bank) falling within its scope to - amongst others - prepare recovery plans and resolution authorities to prepare resolution plans and equips competent authorities with a set of early intervention measures in the event that an institution infringes or is likely to infringe (due to amongst others, rapidly deteriorating financial conditions) the CRD, the CRR and certain provisions of the BRRD.

The Single Resolution Board (the "**SRB**") is the central resolution authority within the Banking Union and together with the national resolution authorities (the "**NRAs**"), it forms the Single Resolution Mechanism. The NRAs are the resolution authorities of the participating Member States of the Banking Union, which are empowered to exercise resolution powers over institutions within their own remit, whilst the entities and groups directly supervised by ECB and other cross-border groups fall under the direct responsibility of the SRB. Pursuant to the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta) (the "**MFSA Act**"), the Board of Governors of the MFSA acts as the resolution authority for the purposes of article 3 of the BRRD. Although the resolution authority is the authority appointed for the purposes of article 3 of the BRRD, it has delegated its powers assigned to it under the BRRD to the Resolution Committee and whose composition, powers and functions are governed by provisions set out in the First Schedule to the MFSA Act and the Recovery and Resolution Regulations.

The Recovery and Resolution Regulations set the framework for the assessment of resolvability of institutions carried out by the Resolution Committee, the application of measures required to address or remove impediments to resolvability, the removal of the senior management and the board of directors of an institution, and the write-down or conversion mechanism of relevant capital instruments and eligible liabilities. The power to write-down or convert relevant capital instruments and eligible liabilities into shares or other instruments of ownership of institution can be exercised either independently of resolution action or in combination with a resolution action, where certain conditions for resolutions are met. In broad terms, this power essentially requires Common Equity Tier 1 items to be reduced first in proportion to the losses, and, subsequently, the principal amount of Additional Tier 1 instruments, Tier 2 instruments and eligible liabilities are written down and, or converted into CET1 instruments.

Furthermore, when an institution meets the applicable conditions for resolution, the SRB or the Resolution Committee, as the case may be, have a broad range of tools (namely, the sale of business tool, the bridge institution tool, the asset separation tool and the bail-in tool) and various other broad powers (including, by way of example, the power to take control of the relevant institution under resolution and exercise all the rights and power conferred upon the shareholders, the power to transfer shares or other instruments of ownership of the bank, the power to require an institution under resolution to issue new shares or other instruments of ownership and the power to transfer to another entity, with the consent of that entity, rights, assets or liabilities of an institution under resolution).

The BRRD was amended, amongst others, by the BRRD II which complements the requirements introduced by the CRR II. The BRRD, through the BRRD II, requires relevant institutions to meet a minimum requirement for own funds and eligible liabilities (MREL) so as to be able to absorb losses expected in resolution or at the point of non-viability. BRRD II introduced other measures such as the power of resolution authorities to suspend certain obligations, the contractual recognition of bail-in, the introduction of a new moratorium power for resolution authorities and the introduction of requirements on the contractual recognition of resolution stay powers. The BRRD II was transposed and implemented into local law through the Recovery and Resolution (Amendment) Regulations, 2021 (Legal Notice 6 of 2021), amending the Recovery and Resolution Regulations.

In April 2023, the European Commission issued a proposal for a directive to amend Directive 2014/49/EU (as amended). The proposed amendments are part of the crisis management and deposit insurance (CMDI) legislative package that also includes amendments to the BRRD. The aim of the CMDI reform is, *inter alia*, to build on the objectives of the crisis management framework applicable to banks and to ensure a more consistent approach to resolution, so that any bank in crisis can exit the market in an orderly manner, while preserving financial stability, taxpayer money and ensuring depositor confidence. The said proposed amendments are expected to become applicable in the next few years, however, actual application dates will depend on the length of the legislative process.

6.5.3. Depositor Compensation Scheme

The Bank, as a licensed credit institution in Malta, is subject to the Depositor Compensation Scheme Regulations (Subsidiary Legislation 371.09 of the laws of Malta) (the "**DCSR**"), which transposed and implemented Directive 2014/49/EU, as amended. The DCSR is supplemented by Banking Rule BR/17 on 'Management Expenses Contribution' under the DCSR, Banking Rule BR/18/2016 on 'Risk-Based Method' and the 'Compensation Contribution Method' under the DCSR and Banking Rule BR/19 on 'Payment Commitments' under the DCSR.

In broad terms, the DCSR regulates the collection and administration of the contributions of its member credit institutions, such as the Bank, and regulates the settlement of any compensation claims of depositors. Subject to certain conditions, in terms of the DCSR, the maximum compensation sum payable for the aggregate deposits of each depositor is €100,000.

On 24 November 2015, the European Commission tabled a proposal for the establishment of a euro area-wide integrated deposit insurance scheme – the European deposit insurance scheme (the "**EDIS**"). However, the EDIS is still at proposal stage, as at the date of this Registration Document.

6.5.4. Payment Services Directive

The Bank, apart from being licensed to provide the business of banking, is also licensed and authorised to provide payment services as defined in the Financial Institution Act (Cap. 376 of the laws of Malta). In view of this, the Bank is subject to Directive (EU) 2015/2366 ("**PSD II**"), as amended, which entered into force on 12 January 2016 and became applicable in all EU Member States with effect from 13 January 2018.

The PSD II - which repealed the original payment services Directive 2007/64/EC – introduced, amongst others, the legal framework setting out the conditions under which account information service providers and payment initiation service providers can provide their services; changes to conduct of business requirements aimed at improving consumer protection; and changes to security and transparency requirements. The PSD II has been transposed and implemented in Malta through Directive No. 1 on the Provision and Use of Payment Services issued by the Central Bank of Malta in terms of the Central Bank of Malta Act (Cap. 204 of the laws of Malta).

In June 2023, the European Commission put forward proposals to revise PSD II through a directive ("**PSD III**") and establish, in addition, a Payment Services Regulation ("**PSR**"). The proposals for PSD III and PSR were accompanied by a new open finance proposal in the shape of a regulation on a framework for Financial Data Access ("**FIDA**").

The PSD III, PSR and FIDA proposals seek to *inter alia* tackle fraud risk and improve customer choice and confidence in payments; improve the functioning of the open banking and open finance sector; increase harmonisation of implementation and enforcement of payments and e-money regulation; and improve access to payment systems and bank accounts for non-bank payment service providers. As at the date of this Registration Document, it is unclear when the PSD III, PSR and FIDA will become applicable.

6.5.5. Consumer credit

As part of its day-to-day provision services and activities, the Bank enters into contractual relationships with individuals acting for purposes which are not related to their trade, business, craft or profession. In view of this, the Bank is subject to an array of consumer legislation, including the Consumer Credit Regulations (Subsidiary Legislation 378.12 of the laws of Malta) (the "**CCR**") (which transposes and implements Directive 2008/48/EC, as amended) and the Credit Agreements for Consumers Relating to Residential Immovable Property Regulations (Subsidiary Legislation 378.10 of the laws of Malta) (the "**Regulations**") (which transposes and implements Directive 2014/17/EU, as amended). The CCR and the Regulations both set out requirements covering, *inter alia*, the obligation of creditors (such as the Bank) to provide pre-contractual information to prospective customers; the obligations of credit intermediaries towards customers when appointed by creditors; and the obligation of creditors to carry out creditworthiness assessments of customers.

6.5.6. Investment services

The Bank is also authorised and licenced to provide certain investment services to clients (the category of which depends on the type of service offered) in terms of the Investment Services Act. These include investment advice, management of investments, execution of orders on behalf of clients, custodian and nominee services to retail clients, professional clients and eligible counterparties. As an investment services licence holder, the Issuer is subject to a number of European Directives and Regulations (including MiFID II, MiFIR and the implementing and delegated acts issued thereunder) and Maltese legislative framework such as the ISA and the subsidiary legislation and rules issued thereunder. The Bank is also a participant of the Investor Compensation Scheme (the "**ICS**") established in terms of the Investor Compensation Scheme Regulations (Subsidiary Legislation 370.09 of the laws of Malta) (the "**ICSR**") and contributes to the Scheme in accordance with the applicable provisions of the ICSR. Under the ICSR, in the event that the MFSA ascertains a compensation case, the total amount of compensation that may be paid out to an investor is the lesser of ninety per cent (90%) in respect of all claims which have been made by such investor, or up to €20,000, subject to the claim meeting the requirements imposed in the ICSR as may be applicable.

6.5.7. Insurance distribution

The Bank is enrolled as a tied insurance intermediary in terms of the Insurance Distribution Act and provides tied insurance intermediary activities in the following classes: (i) Class 1 – Life and annuity; and (ii) Class 3 – Linked Long Term, for its principal IVALIFE Insurance Limited. As a tied insurance intermediary, the Bank is subject to Maltese insurance distribution legislation (including the Insurance Distribution Act and the subsidiary legislation and rules issued thereunder) and European insurance distribution legislation (including Directive (EU) 2016/97, as amended, coupled with the delegated and implementing acts issued thereunder).

6.5.8. Financial markets regulation

The Bank, as a company having its securities admitted to trading on the Official List of the MSE, is subject to several pieces of financial markets legislation including: (i) the FMA, (ii) the Prevention of Financial Market Abuse Act (Cap. 476 of the laws of Malta) ("**PFMAA**"); (iii) the Act; (iv) the Capital Markets Rules; and (v) the MSE Bye-Laws.

The PFMAA, which transposes and implements the provisions of the Market Abuse Regulation and the Market Abuse Directive, prohibits insider dealing, the unlawful disclosure of inside information, and market manipulation. The PFMAA also imposes obligations in relation to the public disclosure of inside information, the maintenance of insider lists, and the notification of transactions carried out by persons discharging managerial responsibilities as well as persons closely associated therewith. Persons found guilty of engaging in, or attempting to engage in, one or more of the prohibitions under the PFMAA, will be liable to sanctions, including but not limited to, hefty fines and, or imprisonment.

The Bank is responsible for ensuring compliance with the continuing obligations and the disclosure requirements as laid down in the Capital Markets Rules for as long as its securities remain listed on the Official List of the MSE. The continuing obligations are laid down under Chapter 5 of the Capital Markets Rules which implements the relevant provisions of the Transparency Directive. Such continuing obligations include, *inter alia*, the public disclosure of certain material information relating to the Bank and its securities, as outlined in the Capital Markets Rules, the publication of half-yearly and annual financial reports that comply with the requirements of the Capital Markets Rules, and compliance with the Code of Principles of Good Corporate Governance as outlined in Appendix 5.1 of the Capital Markets Rules.

Chapter 12 of the Capital Markets Rules also transposes the Shareholder Rights Directive which seeks to promote shareholder engagement and lay down specific requirements in relation to the identification of shareholders, transmission of information, facilitation of the exercise of shareholders' rights, transparency of institutional investors, asset managers and proxy advisers, the remuneration of directors and related party transactions.

As the competent authority in terms of the Prospectus Regulation, the MFSA is responsible for supervising and ensuring compliance, by issuers of securities, with said Prospectus Regulation, the Capital Markets Rules and all other financial markets legislation to which they are subject. The MFSA has a broad set of regulatory and investigatory powers including, *inter alia*, the ability to require information where necessary for investor protection, to suspend or restrict an offer of securities to the public or admission to listing and, or trading, and to carry out on-site inspections or investigations, and to impose penalties and other administrative measures.

6.5.9. Data protection

The GDPR became effective on 25 May 2018, moving the European data confidentiality environment forward and improving personal data protection within the EU. The GDPR was transposed into Maltese law by virtue of the DPA.

The Group is subject to a number of obligations concerning the processing of personal data, including but not limited to ensuring that: (i) personal data is processed fairly, lawfully and in a transparent manner; (ii) personal data is always processed in accordance with good practice; (iii) personal data is only collected for specific, explicitly stated and legitimate purposes and not further processed in a manner that is incompatible with those purposes; (iv) all reasonable measures are taken to complete, correct, restrict, block or erase personal data to the extent that such data is incomplete or incorrect, having regard to the purposes for which they are processed; (v) personal data collected is adequate, limited and relevant to what is necessary in relation to the purposes for which they are processed; (vi) personal data is not kept for a period longer than is necessary; (vii) personal data is accurate and, where necessary, kept up to date; and (viii) personal data is processed in a manner that ensures appropriate security of the personal data. Additionally, the Group is responsible for, and must be able to demonstrate compliance with, the aforementioned obligations.

Prior to processing personal data, the Group must ensure that the personal data undergoing processing is justified under at least one of the lawful bases stipulated within the GDPR. Where consent is deemed to be the appropriate legal basis, the Group must ensure that the person to whom the personal data relates has unambiguously, freely, specifically and informatively given his consent for such processing and that consent has been collected in accordance with the provisions of the PSD II. In all cases, each member of the Group must ensure that individuals are provided with the information set out in articles 13 and 14 of the GDPR.

The Bank is also required to comply with the Data Protection Guidelines for Banks developed by the Malta Bankers' Association after a consultation exercise held with the Information and Data Protection Commissioner.

Non-compliance with the standards set by the GDPR may result in severe penalties as further described in section 2.2.4.3 of this Registration Document. The GDPR applies to all banks established in the EU and to banks providing services to persons within the EU.

6.5.10 Anti-money laundering regulations

The anti-money laundering regime aimed at preventing money laundering and the funding of terrorism, to which the Bank is subject, comprises of two principal statutory instruments: (i) the Prevention of Money Laundering Act (Cap. 373 of the Laws of Malta) (the "**PMLA**") and (ii) the Prevention of Money Laundering and Funding of Terrorism Regulations (S.L. 373.01) (the "**PMLFT Regulations**"). The PMLFT Regulations are supplemented by Implementing Procedures, which are intended to provide assistance to 'subject persons' in understanding and fulfilling their obligations under the PMLFT Regulations (the "**FIAU's Implementing Procedures**"). The FIAU's Implementing Procedures are issued, and their compliance monitored, by the FIAU, which is the authority responsible for the collection, collation, processing, analysis and dissemination of information of suspected money laundering or terrorist financing related activities.

The PMLA criminalises the offence of money laundering, establishes the basic legal definitions, provides for the procedures for the investigation and prosecution of the offences, and includes the measures for the confiscation of property upon conviction of the offence, the freezing of assets and the issuance of investigation or attachment orders in the event of the suspicion of an offence of money laundering. The second part of the PMLA establishes the FIAU, its functions, powers, and underlying duties.

The PMLFT Regulations on the other hand provide for the obligations and procedures that 'subject persons' are required to carry out. The PMLFT Regulations, which are currently in force, implement the provisions of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (the "**4AMLD**") as amended by Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 (the "**5AMLD**"). With effect from 1 January 2018, the PMLFT Regulations were completely overhauled in order to transpose the 4AMLD provisions. Similarly, the PMLA was amended accordingly by a number of legislative instruments in order to transpose the provisions of the 4AMLD and the 5AMLD.

Specifically, pursuant to this regime, credit institutions are obliged, *inter alia*, to:

- adequately identify and verify customers and ultimate beneficial owners where applicable, through rigorous identification and verification procedures, subject to adopting a risk-based approach;
- conduct ongoing monitoring of business relationships, proportionate to the risk posed by such relationships;
- appoint a money laundering reporting officer (referred to as the MLRO);
- record and keep the identification data and other information on relationships and transactions with customers in a durable and accessible repository;
- respond to requests for information from the FIAU and other competent authorities;
- report suspicious transactions to the FIAU; and
- set up internal control measures and ensure the adequate training of employees at regular intervals.

6.5.11 The Digital Operational Resilience Act

The Digital Operational Resilience Act (EU Regulation 2022/2554), otherwise referred to as "**DORA**", came into force on 16 January 2023 and will become applicable to financial entities (including the Group) on 17 January 2025. DORA forms part of the EU's digital finance package and aims to consolidate and upgrade ICT risk management requirements of financial entities falling within scope of this regulation.

In broad terms, DORA sets out six pillars which are applicable to financial entities and in certain situations, their appointed ICT third-party service providers. These pillars are:
1. ICT risk management;
2. reporting of major ICT-related incidents and notifying, on a voluntary basis, significant cyber threats to the competent authorities;
3. reporting of major operational or security payment-related incidents to the competent authorities by certain financial entities;
4. digital operational resilience testing;
5. information and intelligence sharing in relation to cyber threats and vulnerabilities; and
6. measures for the sound management of ICT third-party risk.

DORA also regulates the contents of contractual arrangements concluded between financial entities and ICT third-party service providers.

7. INVESTMENTS

The Bank has not made any material investments since the date up to which the last published interim condensed financial statements of the Bank (incorporated by reference herein) were made (30 June 2023), and which are in progress and, or for which firm commitments have already been made.

8. TREND INFORMATION

The local banking sector is predominantly characterised by high liquidity and low loans-to-deposits ratios. There is strong competition for high-quality credits and despite the adverse global macroeconomic developments, heightened geopolitical risks due to the war in Ukraine and rising inflation, the Maltese financial system remained resilient, also as a result of a robust domestic economy. The regulatory environment is increasingly onerous, and compliance costs are on a constant upward trend.

The global economy is currently experiencing high levels of stress. Inflationary pressures fuelled by pent-up demand following the Covid-19 shock, coupled with the effects of many years of accommodative monetary policy, stimulated demand when supply of products was scarce. This forced central banks to raise interest rates, rapidly and substantially in a sharp reversal of the trend of falling interest rates, bringing the era of easy money to an end.

Against this background, Malta fared well. Government's wage assistance and subsidy of energy prices kept inflation below the average of the EU. However, this had a negative impact on Government finances with general Government debt reaching 54.8% of GDP. Governments, corporates and society in general became accustomed to low interest rates and were encouraged to take advantage by taking on cheap debt. The Covid-19 pandemic exacerbated this, with extra funding needed to effect subsidy policies. The Russian invasion of Ukraine has created a new geopolitical environment. War in Europe has induced the West to re-assess its reliance on what it deems to be unreliable partners. This could have a profound impact on the relationship between capital and labour in the West. Labour shortages had already become a feature prior to the war in Ukraine, and the demands of workers to seek higher salaries look set to strengthen. The impact of the war has put certain sectors under strain, notably those most exposed to commodities, food and energy markets.

The increasing cost of household borrowing, and the potential recession scenario, could adversely affect the residential real estate sector. Such increasing costs may be disproportionately felt by first-time buyers in the lower income group, who may have also had stretched repayment metrics at origination.

Overall, these conditions could result in an increase in default rates and distressed debtors. The Bank has in place effective provisioning and risk management practices to enable it to identify, assess and implement solutions to effectively support distressed debtors.

Developments in the EU with respect to climate change and environmental degradation have made it crucial for credit institutions to devise their own ESG transition plans and implement processes to enhance their ability to gather and use additional data about energy efficiencies in their lending portfolios. Credit institutions are also under pressure to closely monitor the transition plans of their customers, especially those that are highly exposed to fossil fuel-intensive sectors, to ensure that viable plans for a smooth transition are in place. The Bank expects ESG considerations and the assessment of its customers' transition plans to be at the forefront of its long-term business strategy.

The pandemic has irreversibly accelerated and intensified the digitalisation of the global economy. Consumer preferences have changed, fintech players have gained market share and banks' reliance on IT and cloud services has grown. These developments create both opportunities and risks. During the pandemic, there was a wave of Covid-19-related fraud attempts. One of the consequences of the Russian invasion of Ukraine is an elevated risk of cyber-attacks. In view of the elevated risk environment, investment in technology and the continued implementation of robust IT systems is likely to continue to be an important factor.

The decision of the FATF to remove Malta from its grey-list in the year 2022 has lessened the reputational damage to Malta as a financial services jurisdiction. The Bank continues to ensure that it remains compliant with regulatory standards, particularly AML regulatory standards. However, the long-term impact of the previous grey-listing of Malta on the Bank induced some correspondent banks to terminate their relationship with some local banks and the long-term impact of this decision remains uncertain.

Save for the effects of the Covid-19 pandemic, the Russia-Ukraine war and the previous grey-listing of Malta (as described above), the Bank is not aware of any other factors or events that are likely to have a material effect on the Bank's prospects in the current financial year.

The information contained in this section is in part sourced from the report published by the Central Bank of Malta which can be accessed at https://www.centralbankmalta.org/publications - CBM Annual Report 2022.

9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES

9.1. The Board of Directors of the Issuer

As at the date of this Registration Document, the Board of Directors of the Issuer is composed of the following individuals:

NAME AND IDENTIFICATION DETAILS	DESIGNATION	DATE OF APPOINTMENT
Michael C. Bonello	Independent Non-Executive Director and Chairman	25 April, 2013
Joseph Said	Executive Director and Chief Executive Officer	21 December, 2000
Graham A. Fairclough	Non-Executive Director	23 October, 2003
Kimon Palamidis	Independent Non-Executive Director	28 April, 2011
Peter Perotti	Independent Non-Executive Director	14 April, 2022

Dr Helena Said is the Company Secretary of the Issuer.

The business address of the Directors and the Company Secretary is that of the Issuer.

A list of all current and past directorships of the Directors over the past five years is set out in Annex I of this Registration Document.

9.2. Curriculum vitae of the Directors of the Issuer

Michael C. Bonello (Chairman and Independent Non-Executive Director)

Michael C. Bonello was appointed Director and Chairman of the Bank in 2013.

Between 1999 and 2011 he was the Governor of the Central Bank of Malta. During this time, he also sat on the governing and general councils of the European Central Bank (ECB) and the Board of Governors of the MFSA.

From 1983 to 1999 he was a senior official at the United Nations Conference on Trade and Development (UNCTAD) in Geneva where he served in different capacities, among them as Senior Economic Affairs Officer in the International Trade Division, Chief of the Policy Clearance Unit, Advisor in the Office of the Secretary-General and Executive Assistant to the Deputy Secretary-General.

He is a graduate of the University of Malta and Oxford University and also a Fellow of the Institute of Financial Services. He is also a director of Lombard Select SICAV p.l.c. which is fully-owned by the Bank.

Mr Bonello is also a member of the Audit and Risk Committee and Suitabilities & Evaluations Committee.

Joseph Said (Executive Director and Chief Executive Officer)

Joseph Said joined the Bank as chief executive officer (CEO) in 1998. Previously he had worked for Barclays Bank (later known as Mid-Med Bank) for 17 years, serving in practically all areas of that bank. In 1986, he took up a senior post in the private sector where he became involved in a number of new ventures and initiatives. Between 2008 and 2013 he served as chairman of Heritage Malta. He is a board member of the Malta Bankers' Association having also previously served as Deputy Chairman and Chairman of the Association.

As CEO of the Bank, he has been since 2000 an executive member of the Board of Directors of the Issuer. He is also the chairman and a director of MaltaPost p.l.c. and a director of IVALIFE Insurance Limited, and also of Lombard Capital Asset Management Limited.

He is a Fellow of the Chartered Institute of Bankers (UK).

Mr Said is also the Chairman and a member of the Credit Committee and the Assets & Liabilities Committee of the Issuer.

Graham A. Fairclough (Non-Executive Director)

Graham A. Fairclough was first appointed as a non-executive member of the Board of Directors in 2003. He joined National Provincial Bank (later known as National Westminster Bank) in London in 1967 and was subsequently seconded to the Issuer. Between 1992 and 2008 he served as general manager of the Issuer. He also held the position of company secretary of the Issuer between 1982 until 2013. He is a Fellow of the Chartered Institute of Bankers (UK).

Mr Fairclough is also a director and company secretary of MaltaPost p.l.c. and a director of Lombard Select SICAV p.l.c.

Mr Fairclough is a member of the Audit & Risk Committee and the Chairman and member of the Suitablities & Evaluations Committee.

Kimon Palamidis (Independent Non-Executive Director)

Kimon Palamidis has been a non-executive member of the Board of Directors of Lombard Bank Malta p.l.c. since 2011. He has a lengthy banking career of over 25 years holding senior positions with various banks in Greece within areas such as corporate, private and international banking. He was also the assistant general manager of the international banking segment within Piraeus Bank SA.

He holds a Master's in Business Administration (MBA) from the Southern New Hampshire University NH, USA as well as a BSc Management degree from American International College MA USA.

Mr Palamidis is the Chairman and member of the Audit & Risk Committee and a member of the Suitablities & Evaluations Committee.

Peter Perotti (Independent Non-Executive Director)

Peter Perotti has been a Board member since April 2022.

He has served in the financial services industry for over forty years, having worked with the Bank of Valletta group of companies from 1979 until his retirement in 2020. During these years, he occupied various positions including Chief Officer Retail Banking and Chief Officer Fund Business with direct responsibility for the Bank's subsidiaries BOV Asset Management Limited and BOV Fund Services Limited. He also set up and headed Bank of Valletta's representative office in Milan and worked at its offices in Sydney and Melbourne, Australia.

Mr Perotti is an Associate of the Chartered Institute of Bankers (ACIB).

He is also a member of the Audit & Risk Committee and the Suitabilities & Evaluations Committee.

9.3. Composition and appointment of the Board of Directors

The Board of Directors may consist of up to a maximum of seven individuals unless the Issuer determines otherwise in general meeting. As at the date of this Registration Document, the board of directors is composed of the individuals listed in section 9.1 above.

In accordance with the Articles of Association of the Issuer, every member of the Issuer holding in the aggregate at least 15% of the ordinary issued share capital of the Issuer shall be entitled to appoint one director for each and every 15% of the ordinary issued capital owned by him. Any fractional shareholding in excess of 15% not applied in appointing such director or directors shall entitle its holder to vote in the election of the remaining directors together with the remaining general body of shareholders. During such time as a shareholder is entitled to appoint directors in accordance with such mechanism, the appointment of directors may be made by a letter addressed to the company secretary of the Issuer. In this regard it is pertinent to note that, as announced by the Bank on 6 June 2023 pursuant to company announcement LOM 285, by letter dated 29 May 2023, NDSF has, in terms of the Articles of Association, appointed Mr Paul Abela and Dr John Bonello as non-executive directors of the Bank. The appointment of Mr Abela and Dr Bonello is subject to regulatory processes which as at the date of this Registration Document are still ongoing.

The election of the directors shall be validly decided by a simple majority of the members present (in person or by proxy) at the time of voting.

No person other than a director retiring by rotation shall be appointed or reappointed as a director at any general meeting unless such an individual is recommended by the directors or is nominated as described hereunder.

The Issuer is to give at least 14 days' notice to its shareholders to submit names for the election of directors. Such notice may be given by the publication of an advertisement in the local press. Notice to the Issuer proposing a person for election as a director, as well as the latter's acceptance to be nominated as director shall be given to the Issuer not less than 28 days prior to the date of the meeting appointed for such election. For the purposes of the aforesaid every member shall be entitled to nominate a person or persons to stand for election as Director. Such nominee or nominees must be seconded by a member or members holding in aggregate not less than 10,000 shares.

9.4. Rotation and removal of Directors

9.4.1 Rotation of Directors

At every general meeting, one-third of the directors holding office at that particular point in time (or, if their number is not three or a multiple of three, the number nearest to one-third) shall retire from office. The directors to retire by rotation shall be the ones who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day the ones to retire shall (unless they otherwise agree among themselves) be determined by lot.

If the Issuer, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the appointment of the director is put to the meeting and lost. In such cases the board of directors may appoint another person to fill the casual vacancy of director.

Any person so appointed by the Board of Directors to fill in a casual vacancy or as an addition to the board, will hold office only until the next annual general meeting of the Issuer, and will be eligible for re-election.

A Director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

9.4.2 Removal of Directors

Any Director may be removed, at any time, by the Issuer by means of an ordinary resolution.

In addition, the office of director shall, *ipso facto*, be vacated if the director:

a. ceases to be a director by virtue of any provision of the Act or of any applicable law; or
b. is adjudged bankrupt or makes any arrangement or composition with his creditors; or
c. is interdicted or incapacitated; or
d. is convicted of any of the crimes affecting public trust or of theft or of fraud or of knowingly receiving property obtained by theft or fraud, or of any crime punishable by imprisonment; or
e. resigns from the office of director by notice in writing to the Issuer; or
f. shall, for more than six consecutive months, have been absent without permission of the directors from meetings of the directors held during that period and the directors resolve that his office be vacated.

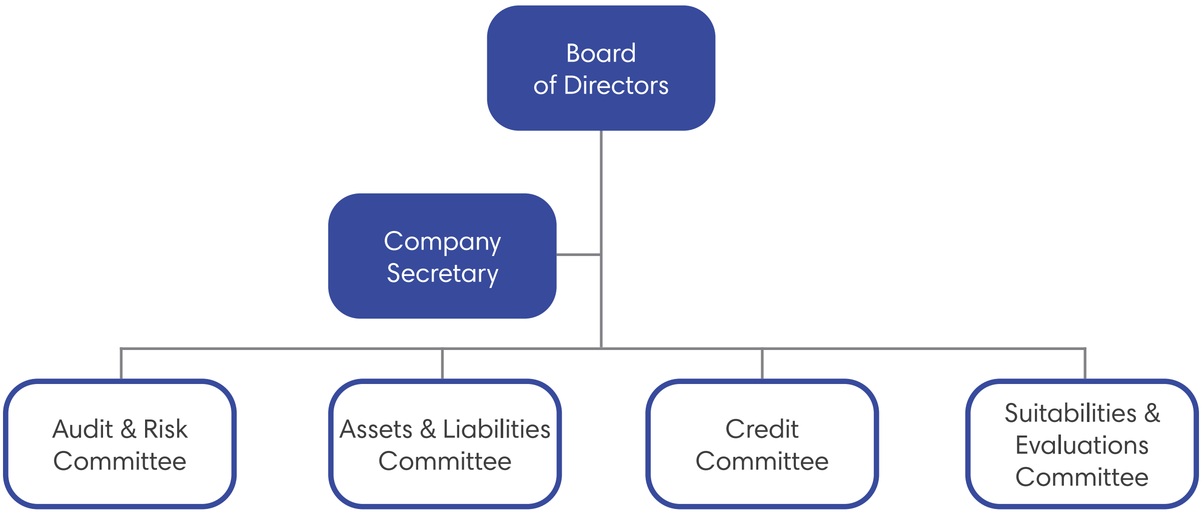
9.4.3 Powers of Directors

The Directors may transact all business of whatever nature of the Issuer not expressly reserved by the Act or the Memorandum and Articles to the members in general meeting or by any provision contained in any law for the time being in force. The Directors may exercise all the powers of the Issuer to borrow money and to hypothecate or charge its undertaking, property and uncalled capital or any part thereof, and to issue equity securities and debt securities on such terms, in such manner and for such consideration as they think fit, whether outright or as security for any debt, liability or obligation of the Issuer or of any third party, provided that the Board of Directors of the Issuer shall not, without the previous sanction of an ordinary resolution of the Issuer, allow the borrowings of the Issuer in the aggregate amount to exceed an amount equal to twice the Adjusted Capital and Reserves, as such term is defined in the Articles of Association of the Issuer.

In terms of the Articles of Association of the Issuer, the Directors may from time to time delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

9.5 Board Committees

The Board of Directors of the Issuer has established a number of specialised committees with the purpose of fulfilling the below-mentioned functions. Each committee reports on its functions and makes recommendations to the Board of Directors upon request, addressing matters falling within its remit as outlined in its terms of reference.



9.5.1 Audit & Risk Committee

Role and responsibilities

Risk-taking is an integral aspect of a Bank's intermediation activity and as a result, a whole range of financial and non-financial risks need to be managed. This involves, to varying degrees, knowingly accepting and managing such risks. In this regard, the Bank continues to implement an enterprise-wide risk management framework that involves a comprehensive and coordinated approach to identify, monitor and measure potential risks and subsequently mitigate these risks to within the limits of the Bank's own risk appetite. The management and control of risk is encompassed within approved policies and procedures that are integrated in the decision-making processes. The risk management function reports to the Audit & Risk Committee and Board of Directors and provides a detailed insight into the Bank's risk management environment and situation of tolerance limits as per the Bank's risk appetite statement.

The primary purpose of the Audit & Risk Committee is to protect the interests of the Bank's shareholders and to assist the Directors in conducting their role effectively so that the Bank's decision-making capability and the accuracy of its reporting and financial results are maintained at a high level at all times. The Audit & Risk Committee assists the Board in fulfilling its supervisory and monitoring responsibility for effective financial reporting, risk management, control and governance and this by, *inter alia*, reviewing any financial information, statements and disclosures to be issued, systems of governance, systems of internal control established by Management and the Board, the risk management processes, the external and internal audit processes as well as the compliance processes.

With respect to risk management, the Audit & Risk Committee, *inter alia*, reviews reports from the risk management function which enable the Audit & Risk Committee (and the Board) to consider the process of risk identification and management, to assess the risks involved in the Bank's business and to understand how they are controlled and monitored by Management. The Audit & Risk Committee also advises the Board on the Bank's overall current and future risk appetite and strategy and assists the Board in overseeing the implementation of that strategy by management.

The Internal Audit Function as the third line of defence provides assurance to the Audit & Risk Committee and Board as to the quality of the Bank's internal control systems. By virtue of its reports, the Internal Audit Function provides an independent and objective review of the Bank's business activities and support functions. The Compliance Function (including the financial crime function) also reports regularly to the Audit & Risk Committee and Board of Directors.

Meetings

In accordance with its terms of reference, the Audit & Risk Committee meets regularly, with meetings being held a minimum of six times per year. The Bank's Head of Internal Audit and Chief of Risk attend meetings of the Audit & Risk Committee. The Committee may invite other persons as it may deem necessary including, *inter alia*, the Bank's external auditors, senior management members and compliance officer. The Audit & Risk Committee may also meet with only its members present and with any relevant person outside the presence of executive directors who do not form part of the Committee, if it so wishes.

Composition

The Audit & Risk Committee is composed of the following four non-executive Directors, three of whom are independent of the Issuer within the meaning of the Capital Markets Rules: Michael C. Bonello (Independent Non-Executive Director), Kimon Palamidis (Independent Non-Executive Director), Peter Perotti (Independent Non-Executive Director) and Graham A. Fairclough (Non-Executive Director). The company secretary of the Bank acts as secretary to the Audit & Risk Committee.

Kimon Palamidis is the chairman of this committee and is considered by the Board to be independent of the Issuer within the meaning of the Capital Markets Rules. Together with the other members, he is also competent in accounting and, or auditing in terms of the Capital Markets Rules.

9.5.2 Assets & Liabilities Committee (ALCO)

Role and responsibilities

The main objective of the ALCO is that of managing risk within approved limits while maximising returns by efficient and judicious management of the Bank's assets and liabilities.

Meetings

In accordance with its terms of reference, the Assets & Liabilities Committee meets regularly. The Bank's risk management officials are invited to attend meetings.

Composition

The ALCO is composed of a number of chief officers and senior officers of the Bank, including from the Finance and Treasury departments and the Corporate Advisory & Research and Asset and Fund Management functions. The Chief Executive Officer chairs the ALCO. A secretary to the ALCO is appointed by the ALCO.

9.5.3 Credit Committee

Role and responsibilities

The Credit Committee is responsible for considering and approving credit applications within delegated limits of authority.

Meetings

In accordance with its terms of reference, the Credit Committee meets regularly. The Bank's risk management officials are invited to attend meetings.

Composition

The Credit Committee is composed of a number of chief officers and senior officers of the Bank, and the Chief Executive Officer chairs the Committee. A secretary to the Credit Committee is appointed by the members of the Credit Committee.

9.5.4 Suitabilities & Evaluations Committee

Role and responsibilities

The Suitabilities & Evaluations Committee is responsible for carrying out suitability assessments of nominated and existing Directors, key function holders or any other persons as may be required. The Suitabilities & Evaluations Committee also assesses the Board's annual performance and that of its committees.

Meetings

In accordance with its terms of reference, given the nature of the functions of the Suitabilities & Evaluations Committee, it is required to convene as is necessary.

Composition

The Suitabilities & Evaluations Committee is composed of Graham Fairclough (Chairman), Michael C. Bonello, Peter Perotti and Kimon Palamidis, provided that when the suitability of any of the foregoing members is set to be assessed, the Suitabilities & Evaluations Committee shall select another Board Member. Mr Fairclough chairs the Suitabilities & Evaluations Committee. The company secretary of the Bank acts as secretary to the Suitabilities & Evaluations Committee.

9.5.5 Remuneration Committee

The Board did not establish a Remuneration Committee on the basis that the remuneration of Directors for the holding of their office on the Board is not performance-related. The functions of the Remuneration Committee are carried out by the Board itself. Details on the remuneration payable to Directors and senior management are set out in the Issuer's Remuneration Report in its Annual Report.

9.6 Senior Management

As at the date of this Registration Document, the Senior Management of the Issuer is composed of the following persons:

NAME AND IDENTIFICATION DETAILS	DESIGNATION
Joseph Said	Chief Executive Officer
Anthony Bezzina	Deputy Chief Executive Officer
Eugenio Farrugia	Deputy Chief Executive Officer
David Attard	Chief Officer – Group Corporate Services
Carlos Camenzuli	Chief Risk Officer
Paul Debono	Chief Officer – Legal
Aurelio Theuma	Chief Financial Officer
Anthony Zahra	Chief Information Officer

9.7 Curriculum Vitae of Senior Management

Joseph Said (Chief Executive Officer)

In his position as Chief Executive Officer of the Issuer, Mr Said also forms part of the senior management of the Issuer. The curriculum vitae of Mr Said is set out in section 9.2. of this Registration Document.

Anthony Bezzina (Deputy Chief Executive Officer)

Anthony Bezzina was appointed Deputy Chief Executive Officer in 2023. Together with the Bank's other Deputy Chief Executive Officer, he supports the Chief Executive Officer in the execution of his duties while also carrying out the responsibilities of his previous position of Chief Officer – Credit, which role he held since 2007.

He leads the commercial and retail credit activity as well as trade finance of the Bank. He has overall responsibility for the effective management of the Bank's loan book and asset quality.

Throughout his banking career he has been involved in investment services, management accounting and administration. He has more than 30 years' experience in lending, having been involved in credit duties since 1989.

Mr Bezzina is a member of the Bank's Credit Committee, Asset & Liabilities Committee (ALCO) and ESG Working Group.

Eugenio Farrugia (Deputy Chief Executive Officer)

Eugenio Farrugia was appointed Deputy Chief Executive Officer in 2023. Together with the Bank's other Deputy Chief Executive Officer, he supports the Chief Executive Officer in the execution of his duties while carrying out the responsibilities of his previously held role of Chief Operations Officer of the Bank, which role he held since 2014. He is responsible for overseeing the general management of the Bank's operations, including retail branches, administration and human resources.

Mr Farrugia previously held several roles within the retail function of the Bank, with his principal role being the Chief of Information and Communication technology (ICT) Officer of the Bank. He led several digitisation programmes as well as the centralisation of key back-office operations. Prior to joining the Bank in 1990, he worked at Bank of Valletta p.l.c. as Chief of Information and Communication technology (ICT) Officer.

He is also a member of the Bank's Credit Committee, Asset & Liabilities Committee (ALCO), the Bank's *"Three Lines of Defence Forum"* and the Bank's ESG Working Group.

Mr Farrugia holds a B.A. (Hons) Business Management and a MBA eCommerce, both from the University of Malta. He is also a qualified banker having been elected an Associate of the Chartered Institute of Bankers in 1993.

David Attard (Chief Officer – Group Corporate Services)

David Attard joined the Bank in 2014 as Chief Officer – Group Corporate Services. He previously served as a commissioned officer in the Armed Forces of Malta for over 26 years, occupying various management and leadership positions, retiring from the military in the rank of Colonel.

In his current role, Mr Attard serves as an executive director of MaltaPost p.l.c. seeking to maximise synergies between the Issuer and its Subsidiary as well as overseeing the general management aspects of the subsidiary.

Mr Attard holds a Master's Degree from King's College, London.

Carlos Camenzuli (Chief Risk Officer)

Carlos Camenzuli joined the Bank in 2016 and has been working within the Bank's risk management function for over seven years. In 2019 he was appointed as the Bank's Head of Risk and in 2023, he was appointed as the Bank's Chief Risk Officer. He is responsible for leading the Bank's risk management function and, among other matters, is responsible for the implementation of processes, tools and systems to identify, assess, measure, manage, monitor and report risks. He reports directly to the Bank's Audit & Risk Committee.

Mr Camenzuli attends meetings of the Audit & Risk Committee, Credit Committee and ALCO, is a member of the Bank's *"Three Lines of Defence Forum"* and is the Chairman of the Bank's ESG Working Group.

Mr Camenzuli holds a Master of Arts degree in Economics and a Bachelor of Commerce degree (Accounting & Economics) with specialisation in Economics (Hons) from the University of Malta and is accredited with the CPD Award in Capital & Risk Management.

Paul Debono (Chief Officer – Legal)

Paul Debono joined the Bank as an advocate in 1995. He was appointed Chief Officer – Legal in 2010.

In his current role, Dr Debono acts as the Bank's general counsel and is responsible for the advisory, consultancy and assistance in all legal matters related to interpretation, litigation, conveyancing and adherence to rules and regulations. He also served as the Bank's compliance officer for a number of years.

Dr Debono is also a member of the Bank's *"Three Lines of Defence Forum"*. He holds a Doctor of Laws LL.D. and a Magister Juris in International Law from the University of Malta. He is also a member of the Chamber of Advocates in Malta and served as a part-time senior lecturer at the Faculty of Laws of the University of Malta for over 25 years.

Aurelio Theuma (Chief Financial Officer)

Aurelio Theuma has served as the Bank's Chief Financial Officer since 2007. He joined the Bank from Unilever Australia Ltd in 1991, where he was involved in various areas within the organisation. Since 2007 he has served as a non-executive director of MaltaPost p.l.c.

He is responsible for the financial planning and reporting, solvency and capital management programmes and compliance with legislation, regulations, code of practices, guidance notices, guidelines and any other rules or directives applicable to the Bank's financial matters.

He holds a B.A. (Hons) Accountancy (University of Malta) and a MBA (Henley) and is also a warranted Certified Public Accountant and Fellow of the Malta Institute of Accountants.

Mr Theuma is a member of the Bank's Credit Committee, Assets & Liabilities Committee (ALCO) and ESG Working Group.

Anthony Zahra (Chief Information Officer)

Anthony Zahra is the Chief Officer – ICT of the Bank and has occupied this role since he joined the Bank in 2014. In the 14 years prior to his appointment, he occupied various roles at the Central Bank of Malta. Between 1996 and 2010 he occupied the position of Head IT and Chief Information Officer and Assistant Director of Corporate Services at the Malta Environment & Planning Authority.

Mr Zahra is responsible for the direction of the Bank's technology and digital development path, ensuring alignment to and support of the business strategy and operations.

He holds a BSc in Maths & Computing from the University of Malta.

A list of all current and past directorships of Senior Management over the past five years is set out in Annex II of this Registration Document.

Unless otherwise stated in this Registration Document, none of the Directors, members of senior management, or members of the board committees have, in the last five years:

i. been the subject of any convictions in relation to fraudulent offences; or
ii. been associated with bankruptcies, receiverships, liquidations or companies put into administration in respect of entities in respect of which they were members of administrative, management or supervisory bodies, partners with unlimited liability (in the case of a limited partnership with a share capital), founders or members of senior management; or
iii. been the subject of any official public incrimination and, or sanctions by statutory or regulatory authorities (including designated professional bodies); or
iv. been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

9.8. Potential Conflicts of Interest

Mr Said, the chief executive officer of the Bank and an executive Director of the Bank, sits on the board of directors of the following two companies, which hold shares in the Bank and MaltaPost p.l.c. as follows:

	% SHAREHOLDING IN THE ISSUER	% SHAREHOLDING IN MALTAPOST
Safaco Limited	0.1%	0.12%
First Gemini p.l.c.	5.31%	0.10%

In addition, Joseph Said holds preference shares in Safaco Limited.

Joseph Said, Graham A. Fairclough, Eugenio Farrugia and Aurelio Theuma hold office as directors on the board of MaltaPost. Mr Said also holds office as director on the board of Lombard Capital Asset Management Limited. Mr Fairclough and Mr Bonello hold office as directors of Lombard Select SICAV p.l.c. The Issuer is a party to a number of intragroup agreements with entities within its Group, which, albeit negotiated and entered into on an arms' length basis, may be construed as giving rise to a conflict.

The Issuer is an Authorised Financial Intermediary in respect of the offer of new ordinary shares of a nominal value of €0.125 per share to form part of the issued share capital of the Bank further to subscription thereof by Existing Shareholders pursuant to the rights issue and excess shares offer the terms of which are specified in the Securities Note forming part of the Prospectus. However, as the Issuer of the said new ordinary shares, it has an interest in the said offer. In this respect, the Issuer will not be providing investment advice in relation to subscriptions for new ordinary shares, however, may entertain applications for subscriptions for new ordinary shares on an execution-only basis. Other than the aforesaid, there are no conflicts of interest between the duties of the Directors towards the Issuer and their private interests and, or other duties. Conflicts of interest may, however, arise in respect of certain future transactions, such as the granting of credit facilities by the Issuer to any of the Directors and, or any companies in which they may be involved. In such instances, such conflicts will be managed in the best interests of the Issuer in accordance with applicable laws, rules, regulations and guidelines, the Board of Directors' Charter and the procedures set out in the Articles of Association, and the Bank's policies and procedures. The latter provide that should an actual or potential conflict arise during the tenure of a directorship, a director must fully and immediately disclose and declare the conflict of interest that might reasonably be thought to exist to the Board. Furthermore, any director who is, in any way, whether directly or indirectly, interested in a contract or proposed contract or in any transaction or arrangement (whether or not constituting a contract) with the Issuer must: (i) declare to the other directors the nature of such interest pursuant to the provisions of the Companies Act (Cap. 386 of the laws of Malta); and (ii) not vote at a meeting of Directors in respect of any transaction, contract or arrangement in which they have a material interest, whether direct or indirect.

10. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

Pursuant to the Capital Markets Rules, the Issuer should endeavour to adopt the principles of *'The Code of Principles of Good Corporate Governance'* contained in Appendix 5.1 to Chapter 5 of the Capital Markets Rules (the "**Code**"). The Issuer declares its full support of the Code and undertakes to fully comply with the Code to the extent that this is considered complementary to the size, nature, and operations of the Issuer. The Issuer supports the Code and is confident that the application thereof shall result in positive effects accruing to the Issuer.

On an annual basis in its annual report, the Issuer reports on the extent of its adoption of the principles of the Code (the "**Principles**") for the financial period being reported upon, in line with the "comply or explain" philosophy of the Code, explaining the reasons for non-compliance, if any.

As at the date of this Registration Document, the Board of Directors considers the Issuer to be in compliance with the Code save with respect to:

1. Principle 4 (The Responsibilities of the Board): Code Provision 4.2.7

The appointment of Directors to serve on the Board is a matter which is entirely reserved to the shareholders of the Bank in terms of its Memorandum and Articles of Association (except where the need arises to fill a casual vacancy). However, the Board shall formulate basic principles in the form of a succession policy to be adopted to ensure the orderly succession of its current directors. In the meantime, it remains guided by other relevant policies, applicable laws, rules, regulations, and guidelines as well as its Memorandum and Articles of Association. The concept of rotation of directors as set out by the Memorandum and Articles of Association also provides an element of continuity on the Board of Directors.

2. Principle 8A (Remuneration Committee): Code Provision 8.A.1

The Board did not establish a Remuneration Committee as specified in Code Provision 8.A.1. In terms of Code Provision 8.A.2 of the Principles, given that the remuneration of Directors for the holding of their office on the Board is not performance-related, the functions of the Remuneration Committee are carried out by the Board of Directors.

3. Principle 8B (Nominations Committee): Code Provision 8.B.1

A Nomination Committee has not been set up since the appointment of Directors to the Board is a matter that is reserved entirely to the Bank's shareholders in terms of the Memorandum and Articles of Association.

This notwithstanding, in light of regulatory requirements, the Suitabilities & Evaluations Committee was set up specifically to carry out suitability assessments of nominated and existing Directors, key function holders or any other persons as may be required and also to assess the Board's annual performance and that of its committees.

4. Principle 9 (Relations with Shareholders and with the Market): Code Provision 9.3

There are no procedures disclosed in the Bank's Memorandum or Articles as recommended in Code Provision 9.3 to resolve conflicts between minority shareholders and controlling shareholders.

11. MAJOR SHAREHOLDERS

To the best of the Issuer's knowledge, as at the date of this Registration Document, there are no arrangements in place, the operation of which may, at a subsequent date, result in a change of control of the Issuer.

The ordinary shares held by the major shareholders listed below form part of the same class of ordinary shares issued by the Bank. The shares carry the same rights, including voting rights, as the other shares as issued and allotted, and rank *pari passu* in all respect with all other shares of the Bank.

As at the date of this Registration Document, the following shareholders hold in excess of 5% of the issued share capital of the Issuer having voting rights:

NAME OF SHAREHOLDER	PERCENTAGE HOLDING IN THE ISSUER
National Development & Social Fund	49.01%
Virtu Holdings Ltd **C 30642**	9.89%
First Gemini p.l.c. **C 368**	5.31%

12. RELATED-PARTY TRANSACTIONS

Details of the Bank's related parties and related party transactions up to which the last published interim condensed financial statements of the Bank (incorporated by reference herein) were made (30 June, 2023). There have been no material related party transactions entered into by the Issuer following the date of the 30 June 2023.

13. FINANCIAL INFORMATION

13.1. Historical Financial Information

The Bank's consolidated audited financial statements for financial years ended 31 December 2020, 31 December 2021 and 31 December 2022 are incorporated by reference in, and form part of, this Registration Document. 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, and are available for inspection at the Bank's registered office and on the Bank's website (www.lombardmalta.com]) as set out in section 19 of this Registration Document. The Bank publishes half-yearly condensed interim financial statements which are prepared in accordance with IFRSs as adopted by the EU applicable to interim financial reporting (IAS 34). The most recent update published by the Bank relates to the six-month period ended 30 June 2023 which are available on the Bank's website (www.lombardmalta.com). These financial statements were reviewed by PricewaterhouseCoopers in accordance with ISRE 2410 - *'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'*. As at the date of this Registration Document, there has been no significant change in the financial position of the Bank since 30 June 2023 (being the date of the Bank's last published interim financial statements).

Key references

The following table provides a list of cross-references to specific items of information in the Bank's consolidated audited financial statements for financial years ended 31 December 2022, 31 December 2021 and 31 December 2020, and the reviewed interim financial information for the six months ended 30 June 2023.

Information incorporated by reference in the Prospectus	31 December 2020	31 December 2021	31 December 2022	30 June 2023
Statements of Financial Position	36	41	41	3
Income Statements	38	43	43	5
Statements of Comprehensive Income	39	44	44	6
Statements of Changes in Equity	40	45	45	7
Statements of Cash Flows	44	49	49	11
Notes to the Consolidated Financial Statements	45	50	50	12
Independent Auditor's Reports	25	201	202	26
Directors' Report	7	9	8	n/a*

* The Directors' Report is included in Company Announcement LOM290 dated 29 August 2023 (https://cdn.borzamalta.com.mt/download/announcements/LOM290.pdf)

13.2. Key Financial Information

The following financial information has been extracted from the Bank's 2020 Annual Report, 2021 Annual Report, 2022 Annual Report and the interim condensed financial statements of the Bank for the period ended 30 June 2023:

Income Statements	Group			
	6 months to 30-June-23 € '000	12 months to 31-Dec-22 € '000	12 months to 31-Dec-21 € '000	12 months to 31-Dec-20 € '000
Interest receivable and similar income				
- on loans and advances, balances with Central Bank of Malta and treasury bills	14,987	26,497	23,451	22,799
- on debt and other fixed income intruments	1,270	2,523	2,274	2,099
Interest expense	(3,567)	(6,744)	(6,169)	(6,026)
Net interest income	**12,690**	**22,276**	**19,556**	**18,872**
Fee and commission income	2,777	5,669	5,424	5,000
Fee and commission expense	(177)	(253)	(213)	(261)
Net fee and commission income	**2,600**	**5,416**	**5,211**	**4,739**
Postal sales and other revenues	19,810	30,693	37,371	34,145
Dividend income	81	141	80	105
Net trading income	71	793	615	539
Other operating income	-	309	231	1,942
Operating income	**35,252**	**59,628**	**63,064**	**60,342**
Employee compensation and benefits	(12,234)	(24,012)	(24,360)	(22,758)
Other operating costs	(14,037)	(20,867)	(24,544)	(20,706)
Depreciation and amortisation	(1,544)	(2,915)	(2,719)	(2,267)
Provisions for liabilities and other changes	(20)	(2)	135	(115)
Net movement in expected credit losses	(1,882)	16,243	1,464	(3,973)
Operation profit	**5,535**	**28,075**	**13,040**	**10,523**
Share of loss of investment accounted for using the equity method, net of tax	(134)	(399)	(402)	(151)
Profit before taxation	**5,401**	**27,676**	**12,638**	**10,372**
Income tax expense	(2,023)	(10,050)	(4,759)	(3,230)
Profit for the year	**3,378**	**17,626**	**7,879**	**7,142**
Attributable to:				
Equity holders of the Bank	3,247	17,530	7,481	6,640
Non-controlling interests	131	96	398	502
Profit for the period/ year	**3,378**	**17,626**	**7,879**	**7,142**
Earnings per Share *	**€0.04**	**€0.19**	**€0.08**	**€0.07**

* The comparative information has been restated to reflect the share split effected during the financial year ended 31 December 2022.

Statements of Financial Position	Group			
	30-June-23 € '000	31-Dec-22 € '000	31-Dec-21 € '000	31-Dec-20 € '000
Assets				
Balances with Central Bank of Malta, treasury bills and cash	132,025	139,234	126,279	169,687
Cheques in course of collection	1,916	1,053	530	666
Financial investments	218,182	220,815	227,135	161,424
Loans and advances to banks	33,441	27,615	78,279	96,985
Loans and advances to customers	719,866	711,612	642,893	621,129
Trade and other receivables	14,398	13,243	10,787	9,136
Accrued income and other assets	5,563	5,302	4,536	4,337
Assets classified as held for sale	703	703	661	134
Current tax assets	212	575	2,691	1,156
Inventories	1,219	1,271	1,1324	1,274
Investments in associates	2,974	2,607	3,006	1,932
Intangible assets	2,161	2,121	2,145	2,050
Property, plant and equipment	67,288	66,375	65,346	50,928
Deferred tax assets	11,242	10,889	7,034	10,117
Total assets	**1,211,190**	**1,203,415**	**1,172,646**	**1,130,955**
Equity and liabilities				
Equity				
Share capital	11,341	11,341	11,192	11,044
Share premium	18,530	18,530	18,530	18,530
Revaluation and other reserves	5,501	4,639	23,668	18,977
Retained earnings	104,558	101,700	83,910	77,470
Equity attributable to equity holders of the Bank	**139,930**	**136,210**	**137,300**	**126,021**
Non-controlling interests	7,971	8,090	8,470	7,741
Total equity	**147,901**	**144,300**	**145,770**	**133,762**
Liabilities				
Amounts owed to banks	983	535	1,224	5,602
Amounts owed to customers	1,009,300	1,1008,431	977,143	941,110
Current tax liabilities	2,963	-	809	844
Accruals and deferred income	11,548	11,015	10,839	10,892
Other liabilities	32,676	33,347	30,649	29,665
Provision for liabilities and other charges	1,720	1,688	2,113	2,632
Deferred tax liabilities	4,099	4,099	4,099	6,448
Total liabilities	**1,063,289**	**1,059,115**	**1,026,876**	**997,193**
Total equity and liabilities	**1,211,190**	**1,203,415**	**1,172,646**	**1,130,955**
Memorandum items				
Contingent liabilities	14,667	13,611	13,195	10,851
Commitments	245,499	202,396	195,848	200,870

Key Financial Ratios	30-June-23	31-Dec-22	31-Dec-21	31-Dec-20
Advances to Deposits Ratio	71.3%	70.6%	65.8%	66.0%
Common Equity Tier 1 Capital (CET1) Ratio	15.9%	15.4%	16.2%	15.8%
Total Capital Ratio	15.9%	15.4%	16.2%	15.8%
Leverage Ratio	10.9%	10.8%	11.1%	10.5%
Liquidity Coverage Ratio (LCR)	230.7%	210.7%	225.3%	180.0%
Net Stable Funding Ratio (NSFR)	151.1%	148.3%	148.4%	N/A
Non-Performing Loans and Advances (€000)	28,795	27,812	51,757	66,483

Note: FY20XX refers to the financial year running from 1 January to 31 December. FYE20XX refers to the financial year end, i.e. 31 December, of the respective year. H1 refers to the first half of the financial year, while H2 refers to the second half of the respective financial year.

The results for financial year 2020 were adversely impacted by the Covid-19 pandemic, an unprecedented challenge which led to an economic slowdown that compounded an already difficult situation characterised by continued low to negative interest rates and rising operational costs.

In FY2021, the Group's performance continued to be conditioned by a difficult operating environment largely associated with the persistence of the Covid-19 pandemic and its economic repercussions. Despite these challenges, the Group registered a year-to-year increase of 21.8% in Profit before Tax that proved the resilience and robustness of its business model.

For FY2022, the Group registered an increase in Profit before Tax of 119.0%, facilitated by a generally improved operating environment characterised by the return to positive interest rates after years of a highly accommodative monetary policy, a marked recovery of the domestic economy and the resolution of a large non-performing credit exposure.

MaltaPost reported a pre-tax profit of €2.8 million for its financial year ended 30 September 2020, a decrease of 6.6% over the previous year. This was due to difficult operating conditions that resulted from the Covid-19 pandemic on top of the challenges posed by the ongoing changing nature of the postal mail industry.

For the financial year ended 30 September 2021, MaltaPost realised a pre-tax profit for the year of €2.4 million, a decrease of 15.5% over the previous year. During 2021, MaltaPost continued to face challenges and difficulties caused by supply chain disruptions, as well as the continued decline of Letter Mail volumes and consequent reduction of respective income streams.

For financial year ended 30 September 2022, MaltaPost reported 72.9% lower pre-tax profits. During the year it continued to carry the unfair financial burden of subsidising out of pocket, a number of postal services within the Universal Service Obligation, including those relating to Local Mail and Outbound Parcels. While non-regulated postal and non-postal revenue streams continued to provide reasonable profit margins, the full impact on revenue of Brexit and the EU's removal of VAT exemption on all non-EU origin small-value items was felt. As traditional postal volumes continued to drop, other non-postal income arose from document management services, bill collection, financial services, and insurance.

Net interest income at €18.9 million in FY2020, €19.6 million in FY2021 and €22.3 million in FY2022 is the Bank's largest revenue source and an important contributor to the Group's operating revenues.

In FY2020, both interest income and expenses were affected by the economic downturn such that the rising trend in net interest income was reversed. Despite a satisfactory growth registered in the Bank's loan book, resulting also from a steady flow of new home loans, relative interest income decreased in reflection of the tightening of interest margins. During the year, the Bank invested in a high-quality foreign bond portfolio to mitigate the effects of negative interest rates on bank placements. At the same time, interest expense on amounts owed to customers rose over the previous year. Net interest income decreased by 4.1% when compared to 2019.

In FY2021, net interest income resumed its upward trend as interest earned on loans and advances rose. Increase in credit activity compensated for pressure on interest rates especially in treasury operations. Higher earnings on the securities portfolio were also registered. Interest Expense saw a 2.4% increase resulting from increased volume of amounts owed to customers. The combination of these factors led to an increase in net interest income of 3.6% when compared to 2020.

In FY2022, net interest income at €22.3 million was 13.9% higher than the previous year and continues to be the Bank's main revenue source. This resulted from a total interest income of €29.0 million reflecting the strong growth in loans and advances to customers in the first half of the year and increased earnings on balances with counterparties and on the securities portfolio, countered by a higher interest expense from an increased customer deposits base.

Fee and commission income of €5.0 million for FY2020, decreased by 11.1% over the previous year due to a lower volume of transactions consequent to the year's subdued economic activity resulting from the pandemic.

In FY2021, fee and commission income improved by 8.5% and reached €5.4 million. Increased business was experienced during the year in card, wealth management and investment services operations.

In FY2022, fee and commission income improved by 4.5% to reach €5.7 million, supported by a positive trend registered in the Bank's various business lines during the year.

Group employee compensation and benefits are the Group's major cost item. In FY2020, FY2021 and FY2022, these stood at €22.8 million, €24.4 million and €24.0 million, respectively. Year on year, increases were due to a more difficult labour market compounded by the need to maintain competitive and suitable compensation to Group staff.

Group operating costs for FY2020, FY2021 and FY2022 stood at €20.7 million, €24.5 million and €20.9 million, respectively.

In FY2020, pandemic-related expenses contributed to higher operating outlays as steps were taken to safeguard the health of staff and customers. Furthermore, additional investment was made to strengthen the remote connectivity services required for secure access to the Bank's system.

In FY2021, operating expenses grew further mainly reflecting the cost of investing in new technologies and systems to meet the growing expectations of customers and the demands of regulators.

In FY2022, operating costs of the Bank remained well under control. During the year the Bank continued to enhance its compliance capabilities by investing in new information technologies, with an emphasis on automation of reporting and other systems. On the other hand, the year-on-year decrease in Group operating costs of 15.0% mainly reflected major cost reduction initiatives implemented by MaltaPost during the year.

The combination of these factors led to an increase in the Cost Efficiency Ratio of 8.4% from FYE2020 to 60.8% at FYE2021, which eased to 57.4% at FYE2022 for the Bank, while that of the Group stood at 80.2% as at FYE2022 up from 75.8% at FYE2020.

Expected Credit Losses (ECL), as defined and determined by International Financial Reporting Standard 9 (IFRS 9), resulted in a charge of €4.0 million in FY2020. This was mainly related to the macroeconomic consequences of the pandemic and the forward-looking outlook which is an integral part of the Expected Credit Loss accounting model. In FY2021, the Group registered an impairment release of €1.5 million as the effects of the pandemic subsided, leading to improved forward-looking macroeconomic indicators when compared to the significant adverse forward-looking metrics as at the end of 2020.

In FY2022, ECL resulted in a release of €16.2 million compared to a reversal of €1.5 million taken in the previous year. This was mainly attributable to a significant recovery on a commercial non-performing loan which had been largely provided for in previous years. Also, management overlays reserved in the previous year in connection with the pandemic were reversed in line with the changed circumstances pertaining as at the end of the financial year.

Loans and advances to customers continued to register a satisfactory upward trend during the periods under review reaching €711.6 million by the end of FY2022, from €621.1 million at the end of FY2020.

Similarly, amounts owed to customers continued to grow at a steady pace, from €941.1 million at the end of FY2020, surpassing the €1 billion mark at the end of FY2022.

The Advances-to-Deposits ratio increased to 70.6% by the end of FY2022, indicative of the additional lending activity that the Bank has embarked upon, yet retaining a healthy liquidity buffer, as the Bank continued to rely on a diversified funding base, which over the years has proven to be stable.

Equity attributable to equity holders of the Bank amounted to €126.0 million in FYE2020, increased by 9% to €137.3 million in FYE2021 and decreased marginally to reach €136.2 million in FYE2022.

The increase in market interest rates during 2022 financial year impacted the Bank's investment holdings resulting in a decline in book value of €27.2 million. This led to a reduction in revaluation and other reserves within Equity, even though the decline remained unrealised as these investments are intended to be held to maturity.

Both Common Equity Tier 1 Ratio (CET1) as well as Total Capital Ratio stood at 15.8% at FYE2020, 16.2% at FYE2021 and 15.4% at FYE2022. Throughout all reporting periods under review, the Bank continued to meet regulatory minimum thresholds in terms of EU Regulation No. 575/2013 being 4.5% and 8.0%, respectively. In June 2021, the Bank received from the MFSA a SREP Decision letter, whereby in addition to these regulatory requirements, the Bank is expected to maintain a Pillar 2 Requirement ('P2R') of 3.25% to be held in excess of the minimum own funds. In addition, a Pillar 2 Guidance ('P2G') of 1% and made up entirely of CET 1 Capital is to be held over and above the Overall Capital Requirement ('OCR') of 13.75%. Hence the Bank's OCR plus P2G stood at 14.75% since June 2021.

As at the end of the financial years ended 31 December 2021 and 31 December 2022, the Bank's OCR and P2G were met.

The leverage ratio stood at 10.5% at FYE2020, 11.1% at FYE2021 and 10.8% at FYE2022, more than three times the minimum regulatory requirement of 3%.

During the financial periods covered, the Bank remained sufficiently liquid at all times, in line with its risk appetite and well above minimum regulatory requirements.

FY2023 Interim Financial Information

The financial information of the Group for the six-month period ended 30 June 2023 indicates that profit before tax amounted to €5.4 million. The main drivers underlying this performance were higher net interest income and improved operational efficiency, reflected in Earnings per Share of €0.04 for this period. The Bank maintained an adequate capital and liquidity position, with ratios above the regulatory requirements.

Loans and advances to customers rose to €719.9 million contributing to the 22% increase in gross interest revenues of €16.3 million. Treasury activity was also a significant contributor to the rise in interest income, in line with increased market interest rates. Customer deposits remained stable just above one billion Euro, while interest payable rose by 10% to €3.6 million. These movements resulted in improved net interest income of €12.7 million, an increase of 25%. Advances-to-Deposits ratio at 71.3% (FYE2022: 70.6%) provided a healthy liquidity buffer, as the Bank continued to rely on a diversified funding base, which over the years has proven to be stable.

Fee and commission income at €2.8 million decreased by 8% indicative of a more customer-oriented tariff.

Group employee compensation and benefits rose by 2% in what continued to be a tight labour market compounded by inflationary pressures. Group operating costs generally remained under control. These included a significant increase in expenses incurred by MaltaPost relating to postal delivery services, without a compensatory increase in tariffs. The need for the Malta Communications Authority, as the postal regulator, to reach in a timely manner to MaltaPost's requests for fair and reasonable revisions of tariffs, remains critical.

Expected Credit Losses resulted in a charge of €1.9 million in the first half of this year compared to a release of €12.1 million taken in the corresponding previous year period. As already mentioned above, the reversal in 2022 was mainly attributable to a significant recovery on a commercial non-performing loan which had been largely provided for in previous years. The Bank will continue to closely monitor its exposures also taking into consideration the global uncertainty not least the geopolitical crisis, economic conditions and increasing inflationary pressures.

14. DIVIDEND POLICY

In determining any proposed dividend and the appropriate pay-out ratio, the Board will consider (among other things) the Group's existing and expected future financial performance (including adjustments to earnings per share), its financial position (including the availability of sufficient distributable reserves), the economic environment, and applicable capital and other regulatory requirements and developments in Malta and in the European Union. In this regard, it is intended to recommend that *circa* one third of profits be made available for distribution as dividends, subject to the requirements of the Bank at the time and the regulatory approval.

For the financial year ended 31 December 2021, the Bank paid a final gross dividend of €1,343,009 to shareholders (net €872,955.74) appearing on the Bank's register of shareholders as at 26 April 2022 which equates to €0.015 (net dividend of €0.00975 cent) per nominal €0.125 share as adjusted as a result of a share split of the Bank's shares on a two for one share basis that became effective 17 November 2022.

For the financial year ended 31 December 2022 shareholder distribution was by way of €252,025 capitalised from the Bank's Retained Earnings Account for the purpose of issuing 2,016,197 fully paid Ordinary Shares of a nominal value of €0.125 per share in the ratio of one new bonus share for every 45 shares held.

15. LEGAL AND ARBITRATION PROCEEDINGS

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware) during a period covering twelve months prior to the date of the Prospectus which may have, or have had, in the recent past significant effects on the financial position or profitability of the Bank and, or the Group.

16. SHARE CAPITAL STRUCTURE

As at the date of this Registration Document, the Bank's authorised share capital €37,500,000 divided into 300,000,000 Ordinary Shares of a nominal value of €0.125 each, fully paid-up. The Bank's issued share capital is €11,592,991.38 divided into 92,743,931 Ordinary Shares of a nominal value of €0.125 each. The issued share capital of the Bank consists of one class of Ordinary Shares. There are no convertible securities, exchangeable securities or securities with warrants in issue.

At an annual general meeting held on the 22 June 2023, the shareholders of the Bank granted a mandate to the Directors for a period of three years commencing from the date of the general meeting to issue up to 65,000,000 new Ordinary Shares of a nominal value of €0.125 per share in the Bank.

17. MATERIAL CONTRACTS

None of the companies forming part of the Group entered into a contract outside of its ordinary course of business, in the two years preceding the date of this Registration Document. None of the companies forming part of the Group, is party to any contract not being a contract entered into in the respective company's ordinary course of business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer as at the date of this Registration Document.

18. REGULATORY DISCLOSURES

There is no information that has been disclosed under the Market Abuse Regulation over the last 12 months which is relevant as at the date of the Prospectus.

19. DOCUMENTS AVAILABLE

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.lombardmalta.com/) for the duration of the validity of the Prospectus:

a. the Memorandum and Articles of Association of the Bank;
b. the 2020 Annual Report, the 2021 Annual Report and the 2022 Annual Report; and
c. the interim condensed financial statements of the Bank for the period ended the 30 June 2023.

ANNEX I – LIST OF DIRECTORSHIPS OF THE DIRECTORS

The table below indicates the list of directorships of the Directors, during the past five years prior to the date of the Prospectus.

Name & Surname	Current Directorships	Past Directorships
Michael C. Bonello	Global Mediscience Fund SICAV p.l.c. (SV 226) * Lombard Select SICAV p.l.c. (SV 554)	Not Applicable
Joseph Said	Allied Projects Limited (C 9313) * Calco Limited (C 15123) Cannon Estates Ltd (C 20751) Centre Court Holdings Limited (C 87182) Exclusive Developments Limited (C 11901) First Gemini p.l.c. (C 368) Homemate Company Limited (C 22807) Homemate HR Ltd. (C 106017) Homemate Ricasoli Ltd. (C 105806) Homemate Tigne Ltd. (C 105810) Homemate Zejtun Ltd. (C 105811) Inspirations Limited (C 41431) IVALIFE Insurance Limited (C 94404) Lombard Asset Managers Limited (C 28186) * Lombard Capital Asset Management Limited (C 98226) M.A.L. Services Limited (C 550) Mac Med Limited (C 37377) Macpherson Mediterranean Limited (C 4321) MaltaPost p.l.c. (C 22796) Manoel Island Yacht Yard Limited (C 48138) MIDI p.l.c. (C 15836) Paint Centres Limited (C 21595) Pieta' Investments Limited (C 12392) * R.S.T. Limited (C 12919) Safaco Limited (C 15411) Siculomalti Limited (C 36900) Solutions & Infrastructure Services Limited (C 38866) *(in process of merger)* Standard Publications Limited (C 13777) T14 Investments Limited (C 63982) TQ Centre Limited (C 87073) Transeuro Systems Limited (C 3488)	Centre Court Limited (C 82784) Med Tek Limited (C 84714) – *struck off following merger* Tigne' Contracting Limited (C 28438)
Graham A Fairclough	Fondazzjoni Muzew tal-Posta (LPF 365) Lombard Select SICAV p.l.c. (SV 554) MaltaPost p.l.c. (C 22796)	PostaInsure Agency Limited (C 5655)
Kimon Palamidis	LS Property Managers Limited (registered in the United Kingdom with company registration number 09926471) Trip Designers IKE (registered in Greece with company registration number 149667701000) Distral S.A. (registered in Greece with company registration number 008246801000) Redfin Capital Limited (registered in Cyprus with company registration number 381021)	Not Applicable
Peter Perotti	Zarattini International Ltd (C 68839) Merck Capital Holding Limited (C 39286) Merck Capital Limited (C 39288) St. Martin Holding Ltd (C 68805) Trialpha Funds IC SICAV p.l.c. (SV 468) Wignacourt Funds SICAV p.l.c. (SV 10)*	La Valette Funds SICAV p.l.c. (SV 1) *

* In dissolution

ANNEX II – LIST OF DIRECTORSHIPS OF THE SENIOR MANAGEMENT

The table below indicates the list of directorships of the senior management, during the past five years prior to the date of the Prospectus. A list of directorships of Mr Joseph Said during the past five years prior to the date of the Prospectus is set out in Annex I of this Registration Document).

Name & Surname	Current Directorships	Past Directorships
Anthony Bezzina	Not Applicable	Not Applicable
Eugenio Farrugia	MaltaPost p.l.c. (C 22796) PostaInsure Agency Limited (C 5655)	Not Applicable
David Attard	MaltaPost p.l.c. (C 22796) CIABRO Limited (C 577)	Not Applicable
Carlos Camenzuli	Not Applicable	Not Applicable
Paul Debono	Not Applicable	Not Applicable
Aurelio Theuma	MaltaPost p.l.c. (C 22796) Lombard Asset Managers Limited (C 28186)*	Not Applicable

* In dissolution