

MeDirect continues to invest in technology and deliver growth within a rapidly evolving market environment

Brussels, June 15, 2022 – MeDirect, the digital and mobile banking platform, published its Full Year Financial Statements for 2021 showing an improved financial performance compared to the prior year by continuing the focus on transforming the bank and improving customer proposition with the development and launch of the new market-leading Wealth App.

The financial performance of MeDirect Belgium has improved compared to the prior year. While in 2020 MeDirect had to make substantial provisions against the corporate lending book as certain clients experienced difficulties resulting from the global pandemic, in 2021 the bank saw stabilisation in the portfolio, and a return to normal operating conditions. This resulted in a lower pre-tax loss of € 21 million, compared to last year's € 27 million. The reported loss arises from continued investment in the strengthening of the workforce and technology to empower customers to navigate the world of investment and personal wealth development.

It is the vision of MeDirect to help its clients to take active advantage of the benefits that financial markets can offer to individuals through technology. To do this, the transformation of MeDirect into a digital WealthTech business has continued in 2021 with a focus on four main pillars:

1) Growing presence in the Belgian market

Despite a year marked by the extreme disruptions resulting from the Covid-19 pandemic, as well as economic and geopolitical dislocations including higher inflation, supply chain disruptions, and increased international tensions, MeDirect has demonstrated its capacity for strategic growth, with a robust 45% increase in the Belgian customer base up to 75.000 customers.

2) Maintaining robust capital and liquidity ratios; diversification of the balance sheet

The balance sheet grew to € 3.0 billion, whilst maintaining a very strong Total Capital Ratio of 28.9% (more than twice the overall capital requirement of 13.5%) and ample liquidity with a Liquidity Coverage Ratio of 253% (vs. a regulatory minimum of 100%) to support the growth strategies in Belgium and the Netherlands.

"We have worked diligently to continue the diversification of our balance sheet. In December, in collaboration with Allianz, we launched our Belgian residential mortgage programme Allianz MeHomeLoans. A landmark partnership with a highly reputable pan-European Insurer, whereby residential mortgage loans are originated through Allianz's broker network and assigned to MeDirect's balance sheet. We are very pleased with the early figures from our collaboration with Allianz, and look forward to growing our portfolio in the months and years ahead. This will contribute to our financial results in 2022 and beyond as funds from customers will be deployed for positive yielding mortgages and to a lesser extent be held in negative or low yielding central bank accounts," says Tim Rooney, CEO MeDirect Belgium.

MeDirect also continued to grow the Dutch residential mortgages portfolio through a partnership with BlauwTrust Group, with 50% growth year-on-year in 2021, whilst continuing to reduce the exposure to international corporate lending.

3) Rebranding and expanding the WealthTech platform



A key strength of MeDirect is the award-winning technology platform, predominantly developed in-house, and supporting the Wealth App, which was launched in early 2022. With the addition of mobile trading, MeDirect is now offering a comprehensive trading and investment platform, both on desktop and mobile. The mobile app provides an easy and intuitive user experience thanks to an interface that was designed with the customers' needs in mind, from the seasoned to the less experienced user. The aim is to offer, on a single platform with open architecture, a broad range of online investment solutions, superior user experience and attractive pricing, combined with high-quality transactional banking capabilities.

4) Investing in people and ESG

MeDirect has doubled its Brussels-based team since mid-2020, attracting high-quality, diverse, and experienced colleagues from within the Belgian market. The bank has fully incorporated a flexible hybrid working protocol, designed to support the need for greater adaptability and flexibility amongst our colleagues, whilst ensuring a safe workplace for those who choose to work from the bank's offices.

The bank also collaborated with "Women in Finance" who have guided the bank's organisation in promoting gender equality within the leadership team and encouraging female colleagues to strive for leadership roles. Today, half of the bank's departmental heads are female.

MeDirect has intensified its focus on environmental, social and governance ("ESG") initiatives, hiring a Group Head - Sustainability and setting up an ESG Committee, under the Co-Chair of our Chief Risk Officer. MeDirect continues to integrate ESG principles into the Group's business and to raise ESG awareness within the organisation. MeDirect offers many investment products with sustainable features and has recently developed mortgage products that reward ecological features.

"For MeDirect, the year 2021 was a year of recovery from the Covid-19 pandemic, and transformation of our business model to lay the foundations for future balanced growth," says Marcia De Wachter, Chairwoman of the board of directors at MeDirect Belgium

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About MeDirect

MeDirect Bank SA/NV is a Belgian bank which offers savings and investment products with the aim of offering everyone the opportunity to make the most of their money. Savings at MeDirect are covered by the Belgian deposit guarantee scheme, which covers deposits up to € 100,000 per person and per bank. Since the launch of the bank, more than 75,000 customers have already entrusted a total of more than € 3 billion in savings and investments to MeDirect.

www.medirect.be