

PROSPECTUS DATED 14TH FEBRUARY 2024



Rights Issue of four new ordinary shares for every nine existing shares held at the record date at an offer price of €0.50 each in **Malita Investments p.l.c.**

SPONSOR _____

**CURMI &
PARTNERS**

MANAGER &
REGISTRAR _____

BOV
Bank of Valletta

LEGAL
COUNSEL _____


CAMILLERI PREZIOSI
ADVOCATES

SUMMARY

Dated 14th February 2024

This document is a Summary issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the Malta Financial Services Authority and in accordance with the provisions of the Prospectus Regulation in respect of a

Rights Issue of

four New Ordinary Shares for every nine Shares as at the Record Date at an Offer Price of €0.50 per New Ordinary Share and in the event of Lapsed Rights, the Excess Shares Offer in

MALITA INVESTMENTS P.L.C.

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA
WITH COMPANY REGISTRATION NUMBER C 53047

SPONSOR _____

MANAGER &
REGISTRAR _____

LEGAL
COUNSEL _____

**CURMI &
PARTNERS**

BOV
Bank of Valletta


CAMILLERI PREZIOSI
ADVOCATES

THIS SUMMARY HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY, AS COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ONLY APPROVED THIS SUMMARY AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER AND THE SECURITIES THAT ARE THE SUBJECT OF THIS SUMMARY.

THIS SUMMARY IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE THEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THIS SUMMARY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

APPROVED BY THE BOARD OF DIRECTORS



Marlene Mizzi



Robert Suban

signing in their own capacity as directors of the Issuer and on behalf each of Miguel Borg, Victor Carachi, Desiree Cassar, Tania Brown and David Mallia.

This Summary is prepared in accordance with the requirements of the Prospectus Regulation and the delegated acts issued thereunder. This Summary contains key information which investors require in order to understand the nature and the risks of the Issuer, the Rights Issue, and the Excess Shares Offer. Except where the context otherwise requires, the capitalised words and expressions used in this Summary shall bear the meanings assigned to them in the Registration Document and the Securities Note, as the case may be.

1. INTRODUCTION AND WARNINGS

This Summary contains key information on the Issuer and the New Ordinary Shares, summarised details of which are set out below:

Full legal and commercial name of the Issuer	Malita Investments p.l.c.
Registered address	Clock Tower, Level 1, Tigne' Point, Sliema, Malta
Registration number	C 53047
Legal Entity Identification (LEI) Number	213800NMXCAAV2SVPG27
Date of Registration	3 June 2011
Telephone number	+356 2132 3503
Email	info@malitainvestments.com
Website	https://malitainvestments.com/
Nature of the securities	65,825,806 ordinary shares of a nominal value of €0.50 per share in the issued share capital of the Issuer
ISIN number	MT2000610003
Competent authority approving the Prospectus	The Malta Financial Services Authority (the "MFSA")
Address, telephone number and official website of the competent authority approving the Prospectus	Address of the MFSA: Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara, Malta, CBD 1010; Telephone number: +356 2144 1155; Official website of the MFSA: www.mfsa.mt .
Prospectus approval date	14 th February, 2024

Prospective investors are hereby warned that:

- (i) this Summary should be read as an introduction to the Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the New Ordinary Shares being offered pursuant to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this document;
- (ii) any decision of an investor to invest in the securities should be based on consideration of the Prospectus as a whole, by the respective investor;
- (iii) an investor may lose all or part of the capital invested in subscribing for New Ordinary Shares;
- (iv) where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and
- (v) civil liability attaches only to those persons who have tabled this Summary including any translation thereof but only if this Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent or does not provide key information in order to aid investors when considering whether to invest in the New Ordinary Shares.

2. KEY INFORMATION ON THE ISSUER

2.1. Who is the Issuer of the securities?

2.1.1 Domicile and legal form, its LEI and country of incorporation

The Issuer is Malita Investments p.l.c., a public limited liability company registered in Malta in terms of the Act. The legal entity identifier (LEI) number of the Issuer is 213800NMXCAAV2SVPG27.

2.1.2 Principal Activities of the Issuer

The Issuer operates as an investment holding company and its principal activities include the financing, acquisition, development, management and operation of immovable property, in particular, projects of national and, or strategic importance. The principal projects which have been undertaken by the Issuer since its incorporation include: (i) the acquisition by title of temporary emphyteusis from the Government of Malta of the land over which the Parliament Building and the Open-Air Theatre were developed; (ii) the "City Gate" development in Valletta, consisting of the development of the Parliament Building, the re-purposing of a historical site into the Open-Air Theatre, and the landscaping of public areas; (iii) the acquisition, from the Government of Malta, of the title of *dominium directum* (legal ownership of the property) over the MIA Site and the VCP Site; and (iv) the Affordable Housing Project.

2.1.3 Major Shareholders of the Issuer

As at the date of this Summary, only the Government of Malta holds more than 5% of the issued share capital of the Issuer having voting rights.

In terms of the Memorandum of Association of the Issuer, the Government of Malta, whether directly or indirectly, through an entity or body corporate wholly owned and controlled thereby, is obliged to hold at least 70% of the issued share capital of the Issuer. Any transfer of shares by the Government of Malta, or any issuance of shares by the Issuer, which has the effect of reducing the holding or otherwise diluting the holding of the Government of

Malta below the 70% threshold is null and void unless such transfer or issuance is made pursuant to the prior approval of the House of Representatives and evidence of such approval is submitted to the Issuer.

2.1.4 Board of Directors of the Issuer

The Board of Directors of the Issuer is composed of the following persons: Marlene Mizzi (Chairperson and Independent Non-Executive Director), Miguel Borg (Independent Non-Executive Director), Tania Brown (Independent Non-Executive Director), Victor Carachi (Independent Non-Executive Director), Desiree Cas-sar (Independent Non-Executive Director), David Mallia (Independent Non-Executive Director), and Robert Suban (Independent Non-Executive Director).

2.1.5 Statutory Auditors

The auditors of the Issuer as of the date of this Summary and for the financial years ended 31 December 2020, 2021 and 2022 are PricewaterhouseCoopers of 78, Mill Street, Qormi, QRM 3101, Malta (Accountancy Board reg. no. AB/26/84/38).

2.2. What is the key financial information regarding the Issuer?

The key financial information regarding the Issuer is set out below:

Income statement

	31 December 2020	31 December 2021	31 December 2022	30 June 2023 (unaudited)	30 June 2022 (unaudited)
Total revenue	16,990,992	20,335,635	25,592,199	10,336,710	7,225,042
Operating profit	8,124,716	8,107,943	8,191,385	4,138,797	3,936,538
Net profit or loss	9,541,833	(20,022,512)	8,777,065	10,444,436	(27,191,610)
Year on year revenue growth*	-1%	19.7%	25.8%	43.1%	-24.6%
Operating profit margin**	47.8%	39.9%	32%	40%	54.5%
Net profit margin***	56.2%	(98.5%)	34.3%	101%	(376.4%)
Earnings per share	6.44	(13.52)	5.93	7.05	(18.36)

* This represents the percentage increase in revenue for the year/period compared to the revenue generated in the previous year/period.

** The Operating profit margin is the operating profit for the year/period expressed as a percentage of the revenue generated in that year/period.

*** The Net profit margin is the net profit for the year/period expressed as a percentage of the revenue generated in that year/period.

Cash flow statement

	31 December 2020	31 December 2021	31 December 2022	30 June 2023 (unaudited)	30 June 2022 (unaudited)
Net cash generated from operating activities	5,524,472	5,820,788	4,257,402	3,159,831	2,486,261
Net cash (used in) / from financing activities	729,962	17,450,571	10,774,665	(4,835,368)	9,284,908
Net cash used in investing activities	(6,769,816)	(12,510,559)	(8,631,375)	(4,722,830)	(4,088,061)

2.3. What are the key risks that are specific to the Issuer?

The most material risk factors specific to the Issuer are as follows:

2.3.1 Risks associated with the Issuer not being able to realise the benefits it expects from property investments

The Issuer has made and expects to continue making significant investments in the acquisition, development and improvement of its existing and new properties as deemed appropriate. The Issuer is susceptible to experiencing cost over-runs, unanticipated delays in developing property, unanticipated liabilities associated with property under development and by effecting enhancements to development projects. If these risks were to materialise, the Issuer may fail to realise the expected benefits from investments made in its properties and the Issuer's business, financial condition and results of operations may be adversely effected.

2.3.2 Risks relating to the illiquidity of the Issuer's real estate investments

Properties such as those in which the Issuer currently invests are illiquid. Such illiquidity may affect the Issuer's ability to vary its portfolio or dispose of, or liquidate part of, its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiry of the originally agreed term. Furthermore, in terms of the various contractual arrangements with the Government of Malta and various credit institutions, the Issuer is precluded from, *inter alia*, selling or disposing of several of its properties, or from allowing any security interest to subsist thereon without the consent of the Government of Malta and, or of the various credit institutions, respectively, as the case may be. These factors could have an adverse effect on the Issuer's financial condition and results.

2.3.3 Risks relating to the Issuer's dependence on the Government of Malta

The Issuer is dependent upon the Government of Malta fulfilling its obligations under the Emphyteutical Deeds, the Lease Agreements, the Availability Agreements and the obligations reserved to it under each of the Transfer Contracts. The Issuer is susceptible to the risk that in certain specific instances, the Emphyteutical Deeds may be terminated for reasons which are beyond the Issuer's control. In view of the nature, scale and specific purpose of the Issuer's property portfolio, it is possible that the Issuer may encounter difficulties in sourcing suitable alternative counterparties, if any, to replace the lost revenue.

The Emphyteutical Deeds, and Transfer Contracts also contemplate scenarios pursuant to which the Issuer is required to obtain the prior consent of, to act on the written demand of, and, or to notify the Government of Malta, as applicable. The business, revenue and projected profits of the Issuer would be negatively impacted should the Government of Malta fail to honour its respective obligations under the Emphyteutical Deeds, Transfer Contracts and Availability Agreements.

2.3.4 Risks associated with the Issuer's exposure to claims and litigation inherent in the Issuer's operations

All industries, including the property acquisition, development, and management industry, are subject to legal claims, with or without merit. The risk of future claims being made by third parties in the future cannot be excluded. Due to the inherent uncertainty of litigation and dispute resolution processes, there can be no assurance that the resolution of any legal proceeding or dispute will not have a material adverse effect on the Issuer's future cash flow, results of operations or financial condition.

All litigation is expensive and time consuming. In addition, the Issuer's insurance coverage may not be sufficient to cover one or more substantial claims.

Exposure to litigation or fines imposed by regulatory authorities may affect the Issuer's reputation even though the monetary consequences may not be significant.

2.3.5 Risks relating to property development and construction activities

Property development and construction projects are subject to a number of specific risks including, but not limited to, the risk of insufficiency or lack of availability of resources to complete development projects as planned; the risk of cost overruns; the risk of rental or sales transactions not being effected at the prices and within the timeframes envisaged; delays or refusals in obtaining required permits and authorisations; and high levels of activity in the sector may place a strain on the availability of human and other capital resources required to undertake and complete the development projects. These factors could have a material adverse effect on the Issuer's business, financial condition and results of operations.

2.3.6 Risks relating to the engagement and, or the involvement of third parties in connection with the Issuer's business and associated counterparty risks

The Issuer places a degree of reliance on third-parties such as architects, contractors and sub-contractors, and suppliers engaged in the valuation, demolition, excavation, and, or finishing of the Issuer's developments projects. This gives rise to counter-party risk in those instances where such counterparties do not perform in line with the Issuer's expectations and, or in accordance with their contractual obligations. Such default could have a material adverse impact on the Issuer's development projects, including the Issuer's ability to complete projects within stipulated deadlines or with the necessary specifications, failure of which may result in the termination of contractual agreements, loss of revenue and reduced profitability of the Issuer. In addition, the Issuer's ability to source third-party contractors or sub-contractors having the sector-specific expertise or resources necessary to bid for, undertake and successfully complete development projects could have an adverse effect on the Issuer's competitive positioning in the property development market. If these risks were to materialise, this would have an adverse impact on the Issuer's business, its financial condition, results of operations and prospects.

2.3.7 Risks associated with the rental income of the Issuer's property portfolio

The Issuer is entitled to receive all payments of ground rent due by each of MIA in respect of the MIA Site and VCP in respect of the VCP Site. In its capacity as *dominus* of the VCP Site, the Issuer, in addition to the ground rent it receives from VCP, is also entitled to receive an annual payment computed in accordance with a formula based on VCP's revenues. Moreover, the Government of Malta is required to pay lease payments to the Issuer in respect of the Parliament Building and the Open-Air Theatre. These rental revenues may be affected by factors such as changes in the general economic climate and local conditions, rising operating costs, political developments, changes in regulatory and, or fiscal conditions, fluctuations in interest rate levels, changes in inflation levels, the availability of financing and yields of alternative investments. Moreover, MIA and VCP are susceptible to risks inherent in the industries in which they operate as well as the risks specific to their business and thus, these risks may affect the ability of these companies to operate efficiently, which in turn could have an effect on their ability to pay the rent (and any additional fees) due. The residential units forming part of the Affordable Housing Project are to be leased to low-income individuals and families in need of financial assistance. As a result, there can be no assurance that the lessees will be in a position, at all times, to pay the rent due under the respective lease agreements.

In the event that the payment of ground-rent and, or lease payments is not made in a timely manner, this will have a material adverse effect on the Issuer's business, revenue and projected profits.

2.3.8 Risks relating to property valuations and net realisable value

Notwithstanding the preparation of valuations by independent qualified architects, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. Accordingly, property valuations are largely dependent on current and, or expected market conditions which are susceptible to fluctuation and therefore, there can be no assurance that the property valuations and property-related assets will reflect actual market values.

2.3.9 Risks relating to the Issuer's indebtedness

A substantial portion of the cash flows generated by the Issuer's operations in the coming years must be dedicated to debt service and debt repayment. These obligations limit the amount of cash that would otherwise be available for other uses. Payments of dividends may be blocked by the Issuer's lenders if an event of default has occurred under credit facility agreements to which the Issuer is a party. Borrowings under any bank credit facilities may be at variable interest rates, which would make the Issuer vulnerable to increases in interest rates and inherent volatility.

Agreements regulating the Issuer's debt may impose significant operating restrictions and financial covenants on the Issuer which could limit the Issuer's ability to, *inter alia*, obtain future additional financing; incur capital expenditure; and dispose of all or a substantial part of its assets. Moreover, the existing financing agreements contemplate scenarios on the basis of which the various credit institutions have the right to suspend and, or cancel any undisbursed portion of the credit granted and, or demand prepayment of the loan amount. In such case, the Issuer may be unable to finance the completion of its projects in a timely manner or seek alternative funding.

2.3.10 Risks relating to the enforcement of security over the Issuer's assets

In the event that the Issuer defaults in its payment of ground-rent and the proper performance of all its obligations arising from the City Gate Emphyteutical Deed and, or the Affordable Housing Emphyteutical Deed, the Government of Malta may enforce its security over the Parliament Building, the Open-Air Theatre and, or the Affordable Housing Property Sites, as applicable. Where the Issuer defaults under the terms of any borrowing agreements entered into, the lender concerned may likewise seize title to any assets securing the liability by enforcing their security. In addition, any amounts owing under borrowing agreements will rank ahead of shareholders' entitlement to the return of capital.

3. KEY INFORMATION ON THE SECURITIES

3.1. What are the main features of the securities?

ISIN:	MT2000610003
Description and amount of the New Ordinary Shares:	<p>The Rights Issue is being made to all Existing Shareholders on the register of members of the Issuer as at the Record Date. Pursuant to the Rights Issue, the Issuer is offering 65,825,806 New Ordinary Shares of a nominal value of €0.50 per Share to Existing Shareholders. Rights have been issued and allocated to Existing Shareholders on the basis of the ratio of four New Ordinary Shares for every nine Shares held by Existing Shareholders as at the Record Date. Accordingly, Existing Shareholders are entitled to acquire four New Ordinary Shares for every nine Shares held as at the Record Date, at an Offer Price of €0.50 per New Ordinary Share. Existing Shareholders may assign all or part of their Rights during the Offer Period.</p> <p>Any Rights which are neither accepted nor validly assigned or paid for by Existing Shareholders by the closing of the Offer Period shall constitute Lapsed Rights, and the balance of New Ordinary Shares in an amount equivalent to Lapsed Rights shall be available for subscription by: (i) Institutional Investors pursuant to Placement Agreements; (ii) Existing Shareholders who have accepted their Proportionate Entitlement in full and have indicated their willingness to subscribe for Excess Shares by completing the appropriate section of a FAAE during the Offer Period; and (iii) Applicants by virtue of the completion of an Application Form during the Offer Period.</p>
Class:	The New Ordinary Shares shall form part of the only class of ordinary shares in issue in the issued share capital of the Issuer and shall accordingly have the same rights and entitlements as all other ordinary shares of the Issuer, currently in issue.
Offer Price:	The price of €0.50 per New Ordinary Share.
Minimum amount per subscription:	<ul style="list-style-type: none">(i) The minimum number of New Ordinary Shares that an Eligible Participant may subscribe for is one (1).(ii) The minimum subscription amount that Applicants may subscribe for is 1,000 New Ordinary Shares and in multiples of 100 New Ordinary Shares thereafter.
Denomination:	Euro (€)
Form:	The New Ordinary Shares will be issued in fully registered and dematerialised book-entry form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD or in such other form as may be determined from time to time by applicable law, the requirements of the MSE or the Issuer.
Rights attaching to the New Ordinary Shares:	<ul style="list-style-type: none">(i) The New Ordinary Shares shall carry the right for the holders thereof to participate in any distribution of dividends declared by the Issuer <i>pari passu</i> with all other holders of ordinary shares of the Issuer;(ii) The New Ordinary Shares shall carry the right for the holders thereof to participate in any distribution of capital made, whether in the context of a winding up or otherwise, <i>pari passu</i> with all other holders of ordinary shares of the Issuer;(iii) Each New Ordinary Share shall entitle the holder thereof to one vote at general meetings of Shareholders; and(iv) Should any shares in the Issuer be proposed for allotment for consideration in cash, such shares must be offered on a pre-emptive basis to the existing holders of shares, including holders of New Ordinary Shares, in proportion to the respective share capital held by each of them immediately prior to any new issue of shares.

Transferability:	The New Ordinary Shares are freely transferable and once admitted to the Official List, shall be transferable in accordance with the applicable rules and regulations thereof.
Dividend Policy:	It is the Board of Directors' objective to recommend a gross dividend distribution of at least 7% on the rights issue price, subject to the requirements of the Issuer at the time and the regulatory approval.

3.2. Where will the securities be traded?

Application has been made to the Malta Stock Exchange for the New Ordinary Shares to be listed and traded on its Official List.

3.3. What are the key risks that are specific to the securities?

3.3.1 Suitability

The acceptance of the Rights Issue and the consequent subscription of part or all of the Proportionate Entitlement will increase the exposure of Existing Shareholders to the Issuer and its future performance. Any additional exposure to the Shares may not be suitable for every Existing Shareholder. Accordingly, Existing Shareholders are urged to consult a licensed stockbroker or an investment adviser licensed under the Investment Services Act (Cap. 370 of the laws of Malta) as to the suitability or otherwise of a further investment in the Shares before making an investment decision to accept their Proportionate Entitlement under the Rights Issue and any Excess Shares they may subscribe for. In addition, an investment in the New Ordinary Shares may not be suitable for all Eligible Participants, including Assignees, and an investment in the Excess Shares may not be suitable for all investors subscribing to Excess Shares. Prospective investors are urged to read and fully understand the provisions of the Prospectus and consult a licensed stockbroker or an investment adviser licensed under the Investment Services Act as to the suitability or otherwise of an investment in the New Ordinary Shares before making an investment decision.

3.3.2 Orderly and liquid market

The existence of an orderly and liquid market for the New Ordinary Shares depends on a number of factors including, but not limited to, the presence of willing buyers and sellers of the New Ordinary Shares at any given time and the general economic conditions in the market in which the Shares are traded. Should there not be a liquid market in the New Ordinary Shares, there can be no assurance that an investor will be able to trade in the New Ordinary Shares.

3.3.3 Volatility in the price of the Shares

Following the completion of the Offer and the allocation of the New Ordinary Shares, the price at which the Shares, including the New Ordinary Shares, will be traded, as well as the volume of trades, may fluctuate. There can be no guarantee of the price which may be realised by investors in the New Ordinary Shares. Movements in the price of the Shares are influenced by a multitude of factors, some of which may be specific to the Issuer, its proposed operations and ability to implement its intended strategies. It is also possible that the Issuer's results of operations or its business outlook may fall short of expectations, in which case the price of the Shares could be negatively affected. In addition, limited trading in the Shares could increase the price volatility of the Shares and may limit the ability of investors to trade the Shares, including the New Ordinary Shares, in the amount, at the price and at the time desired. A number of factors, some of which are outside the control of the Issuer, may impact the price and performance of the Shares, including prevailing economic conditions in Malta and conditions or trends in the Maltese commercial property market generally, and differences between the Issuer's expected and actual operating performance as well as between expected and actual performance of the property acquisition and rental industry generally.

3.3.4 Dividends

There can be no guarantee that the Issuer will pay dividends on a regular basis or at all. The extent of any dividend distribution by the Issuer will depend upon, amongst other factors, profits available for distribution, the Board of Directors' view on the prevailing market outlook, any debt servicing requirements, the cash flows of the Issuer, working capital requirements, the Board of Director's view on future investments and capital expenditure requirements, and the requirements of the Act.

3.3.5 Dilution Risk

Existing Shareholders who do not exercise the subscription rights granted under the Rights Issue will have their percentage shareholding in the Issuer reduced and their voting rights diluted. This dilution will be proportional to the percentage by which the share capital of the Issuer is increased and to the extent by which the Existing Shareholder does not participate in the Rights Issue.

4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

4.1. Under which conditions and timetable can I invest in this security?

4.1.1. Application for the New Ordinary Shares

The New Ordinary Shares are open for subscription by: (i) Existing Shareholders up to their Proportionate Entitlement during the Offer Period; (ii) Assignees up to the Assigned Entitlement in their favour during the Offer Period; (iii) Institutional Investors pursuant to Placement Agreements; and (iv) if following the allocation pursuant to (i), (ii) and (iii) above there shall remain Excess Shares, such Excess Shares shall be available for allocation to: Existing Shareholders who have accepted their Proportionate Entitlement in full and applied for Excess Shares during the Offer Period and Applicants applying for Excess Shares through Authorised Financial Intermediaries during the Offer Period. Eligible Participants shall return the Forms of Acceptance, Authority and Election to any of the Authorised Financial Intermediaries by the closing of the Offer Period. The FAAEs, once duly completed, executed and lodged with an Authorised Financial Intermediary by the Eligible Participant, shall constitute a binding contract between the Issuer and the Eligible Participant, whereby the Eligible Participant shall be bound to subscribe for and acquire the number of New Ordinary Shares forming part of the Rights Issue as are indicated in the FAAE, and to effect payment therefor.

Applicants that wish to apply for Excess Shares during the Offer Period are to lodge their Application Form indicating their Application for Excess Shares through the Authorised Financial Intermediaries.

On the 11th December, 2023, the Government of Malta provided an irrevocable undertaking to the Issuer that it shall subscribe to its Proportionate Entitlement in full, subject to it renouncing to such portion of its Proportionate Entitlement as would enable the Issuer to satisfy subscriptions or applications for Excess Shares by Institutional Investors pursuant to Placement Agreements, other Existing Shareholders or Applicants, respectively, which remain unsatisfied in full or in part, and further provided that it shall retain such portion of its Proportionate Entitlement so as to enable it to retain at least 70% of the issued share capital of the Issuer following the issue of the New Ordinary Shares. The Government of Malta has also irrevocably undertaken not to apply for Excess Shares and not to sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the Shares held by it from the date of the irrevocable undertaking to the date of completion of the Offer.

4.1.2. Allocation Policy

The Issuer shall allocate the New Ordinary Shares arising from the exercise of Rights and the subscription to Excess Shares on the basis of the following policy:

- (i) it shall first satisfy in full the exercise by all Existing Shareholders of their Rights and, in the case of Assignees, of the Assigned Entitlement;
- (ii) an amount of up to 20,846,827 Excess Shares shall be allocated to Institutional Investors pursuant to Placement Agreements;
- (iii) in the event that following the allocations made pursuant to point (ii) above, there shall remain Excess Shares, the Issuer shall then allocate such Excess Shares to: (a) Existing Shareholders who have accepted their Proportionate Entitlement in full and applied for Excess Shares during the Offer Period; and (b) Applicants applying for Excess Shares through Authorised Financial Intermediaries during the Offer Period, in such proportions as the Issuer shall, at its discretion, deem fit.

In the event that an Existing Shareholder or Applicant that has applied for Excess Shares, has been allocated a number of Shares which is less than the number applied for, the Existing Shareholder, or Applicant (as the case may be) shall receive a refund of the full amount or the balance of the price of the Excess Shares applied for but not allocated, as the case may be, without interest, by credit transfer to such account as designated by the Existing Shareholder or the Applicant, as applicable, within five Business Days from the date of announcement of the basis of acceptance. The Issuer and the Registrar shall not be responsible for any loss or delay in transmission or any charges in connection therewith.

4.1.3. Total Estimated Expenses

Professional fees, and costs related to publicity, advertising, printing, listing, registration, Sponsor and Manager & Registrar activities, selling commission, and other miscellaneous expenses in connection with the Offer are estimated not to exceed €450,000 and shall be borne exclusively by the Issuer. There is no particular order of priority with respect to such expenses.

4.1.4. Expected Timetable

1. FAAEs mailed to Existing Shareholders	27 th February 2024
2. Application Forms available at Authorised Financial Intermediaries	28 th February 2024
3. Commencement of Offer Period	28 th February 2024
4. Placement Date	13 th March 2024
5. Closing of Offer Period	15 th March 2024
6. Announcement of the results of the Offer	25 th March 2024
7. Refunds of unallocated monies (if any)	1 st April 2024
8. Dispatch of allotment letters	1 st April 2024
9. Date of issue and allotment of the New Ordinary Shares and expected date of admission of the New Ordinary Shares to listing	1 st April 2024
10. Expected date of commencement of trading in the New Ordinary Shares	2 nd April 2024

4.2. Why is the prospectus being produced?

4.2.1. The use and estimated net amount of the proceeds

The net proceeds from the issue of New Ordinary Shares, which net of issue expenses are expected to amount to up to €32,462,903, will be utilised by the Issuer towards part-financing the required capital expenditure for the Affordable Housing Project.

4.2.2. Underwriting agreement

The Offer is not subject to any underwriting agreement.

4.2.3. Conflicts of Interest

As at the date of this Summary, the Issuer has identified and managed the following role which may give rise to conflicts of interest: Dr Robert Suban, a Director of the Issuer, is also a non-executive director and chair of the risk committee of Bank of Valletta p.l.c.. Dr Suban is susceptible to conflicts of interest between the potentially diverging interests of the Issuer and that of Bank of Valletta p.l.c., particularly insofar as facilities for the financing of existing or new projects, and the appointment of Bank of Valletta p.l.c. as Manager & Registrar of the Rights Issue, are concerned. Save as stated above, there are no other identified conflicts of interest between the duties of the Directors or the members of the senior management team towards the Issuer and their private interests and, or other duties.

REGISTRATION DOCUMENT

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

Dated 14th February 2024

by

MALITA INVESTMENTS P.L.C.

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA
WITH COMPANY REGISTRATION NUMBER C 53047

SPONSOR _____

MANAGER &
REGISTRAR _____

LEGAL
COUNSEL _____

**CURMI &
PARTNERS**

BOV
Bank of Valletta


CAMILLERI PREZIOSI
ADVOCATES

THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MFSA, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THIS MEANS THAT THE MFSA 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 COMPANY THAT IS THE SUBJECT OF THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MFSA DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS OF INVESTING IN THE SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED, OR BE CONSTRUED, AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN ANY SECURITIES.

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A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENT.

APPROVED BY THE BOARD OF DIRECTORS



Marlene Mizzi



Robert Suban

signing in their own capacity as directors of the Issuer and on behalf each of Miguel Borg, Victor Carachi, Desiree Cassar, Tania Brown and David Mallia.

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT FORMS PART OF THE PROSPECTUS AND CONTAINS INFORMATION ON MALITA INVESTMENTS P.L.C. (THE “COMPANY”) IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE ACT, THE FMA AND THE PROSPECTUS REGULATION.

A COPY OF THIS REGISTRATION DOCUMENT HAS BEEN SUBMITTED TO THE MFSA 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 ACT.

THE MFSA ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS REGISTRATION DOCUMENT, MAKES NO REPRESENTATIONS AS TO ITS 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.

THIS REGISTRATION DOCUMENT DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE COMPANY: (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 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.

NO PERSON HAS BEEN AUTHORISED BY THE COMPANY OR ITS DIRECTORS, OR THE COMPANY’S ADVISERS, TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE SECURITIES OF THE COMPANY OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE COMPANY, ITS DIRECTORS, OR ITS ADVISERS.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT AND ANY PERSON WISHING TO APPLY FOR ANY SECURITIES ISSUED BY THE COMPANY TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE COMPANY SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH SECURITIES AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE AND, OR DOMICILE. PROSPECTIVE INVESTORS 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 THE SECURITIES ISSUED BY THE COMPANY.

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE COMPANY THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES NOTE 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 MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS 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 THIS PROSPECTUS OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

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 OF THE COMPANY 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 TWELVE MONTHS FROM THE DATE HEREOF. THE COMPANY IS OBLIGED TO SUPPLEMENT THIS REGISTRATION DOCUMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES RELATING TO THE INFORMATION SET OUT IN THE REGISTRATION DOCUMENT WHICH MAY AFFECT THE ASSESSMENT OF THE SECURITIES AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE PROSPECTUS IS APPROVED AND THE CLOSING OF THE EXCESS SHARES OFFER PERIOD OR THE TIME WHEN TRADING ON A REGULATED MARKET COMMENCES, WHICHEVER OCCURS LATER. THE OBLIGATION TO SUPPLEMENT THE REGISTRATION DOCUMENT IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE REGISTRATION DOCUMENT IS NO LONGER VALID.

ALL THE ADVISERS TO THE COMPANY NAMED IN SECTION 4 OF THIS REGISTRATION DOCUMENT HAVE ACTED, AND ARE ACTING, EXCLUSIVELY FOR THE COMPANY IN RELATION TO THE PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION 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.

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

UNLESS INCORPORATED BY REFERENCE IN THIS REGISTRATION DOCUMENT, THE CONTENTS OF THE COMPANY'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE COMPANY'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 THE SECURITIES.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE SECURITIES.

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1. DEFINITIONS

In this Registration Document the following words and expressions shall bear the following meanings except where the context otherwise requires:

Act	the Companies Act (Cap. 386 of the laws of Malta), as may be amended from time to time;
Affordable Housing Emphyteutical Deed	the public deed dated 29 December 2017, published in the records of Notary Marco Burlo, pursuant to which the Housing Authority granted the Affordable Housing Property Sites, by title of temporary emphyteusis, unto the Company;
Affordable Housing Property Sites	the Attard Site, the Birkirkara Site, the Bormla Site, the Kirkop Site A, the Kirkop Site B, the Kirkop Site C, the Kirkop Site D; the Luqa Site, the Msida Site; the Qrendi Site A, the Qrendi Site B, the Qrendi Site C, the Siggiewi Site, the Zebbug Site B and the Zurrieq Site;
Affordable Housing Project	as defined under section 6.1.3 of this Registration Document;
Attard Site	as defined under section 6.1.3.4.1 of this Registration Document;
Authorised Financial Intermediaries	the financial intermediaries whose details appear in Annex I of the Securities Note;
Availability Agreements	as defined under section 6.1.3.2 of this Registration Document;
Availability Period	as defined under section 6.1.3.2 of this Registration Document;
Bank of Valletta	Bank of Valletta p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 2833 and having its registered office at 58, Zachary Street, Valletta, VLT 1130, Malta;
Birkirkara Site	as defined under section 6.1.3.4.1 of this Registration Document;
Bormla Site	as defined under section 6.1.3.4.2 of this Registration Document;
Capital Markets Rules	the capital markets rules issued by the MFSA, as may be amended from time to time;
CEB	Council of Europe Development Bank, an international organisation having its headquarters at 55, Avenue Kleber, F-75116, Paris, France;
City Gate Emphyteutical Deed	the public deed dated 26 June 2012, published in the records of Notary Tania Spiteri, pursuant to which the Government of Malta granted the Parliament Building and the Open-Air Theatre, by title of temporary emphyteusis, unto the Company;
Company	Malita Investments p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 53047 and having its registered office at Clock Tower, Level 1, Tigne Point, Sliema, Malta;
Directors or Board	the directors of the Company whose names are set out in section 8.1 of this Registration Document under the heading " <i>The Board of Directors of the Company</i> ";
dominium directum	the legal ownership of property;
EIB	European Investment Bank, having its seat at 100 blvd Konrad Adenauer, Luxembourg, L-2950, Luxembourg;

Euro or €	the lawful currency of the Republic of Malta;
Emphyteutical Deeds	collectively, the Affordable Housing Emphyteutical Deed, the MIA Emphyteutical Deeds, the VCP Emphyteutical Deed and the City Gate Emphyteutical Deed;
FMA	the Financial Markets Act (Cap. 345 of the laws of Malta), as may be amended from time to time;
Government of Malta	the government of the Republic of Malta;
Housing Authority	a body corporate established in terms of the Housing Authority Act (Cap. 261 of the laws of Malta);
Historical Financial Review Period	the financial years of the Company ended 31 December 2020, 31 December 2021 and 31 December 2022;
Kirkop Site A	as defined under section 6.1.3.4.2 of this Registration Document;
Kirkop Site B	as defined under section 6.1.3.4.1 of this Registration Document;
Kirkop Site C	as defined under section 6.1.3.4.1 of this Registration Document;
Kirlop Site D	as defined under section 6.1.3.4.2 of this Registration Document;
Lease Agreements	the lease agreements dated 26 June 2012, published in the records of Notary Tania Spiteri, pursuant to which the Company granted unto the Government of Malta, under title of lease, the Parliament Building for an automatically renewable period of 20 years and the Open-Air Theatre for an automatically renewable period of 30 years, respectively;
Luqa Site	as defined under section 6.1.3.4.2 of this Registration Document;
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;
Manager and Registrar	Bank of Valletta p.l.c., a public limited liability company registered in Malta, with company registration number C 2833, having its registered office at 58, Zachary Street, Valletta, VLT 1130, Malta;
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 Company in force at the time of publication of the Prospectus. The terms “ Memorandum ”, “ Articles ” and “ Articles of Association ” shall be construed accordingly;
MFSA	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta), being the competent authority to approve prospectuses of any offer of securities to the public in Malta in terms of the FMA;
MIA	Malta International Airport p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 12663 and having its registered office at Malta International Airport, Luqa, Malta;

MIA Emphyteutical Deeds	the public deed dated 26 July 2002, published in the records of Notary Vincent Miceli, and the public deed dated 1 July 2010, published in the records of Notary Diana Charles, pursuant to which the Government of Malta granted the MIA Site, by title of temporary emphyteusis, unto MIA;
MIA Site	the buildings, improvements and lands situated in the limits of Luqa in respect of which the Government of Malta transferred to the Company the title of <i>dominium directum</i> , in accordance with the MIA Transfer Contract;
MIA Transfer Contract	the public deed dated 14 June 2012, published in the records of Notary Tania Spiteri, pursuant to which the Government of Malta granted the MIA Site, by title of <i>dominium directum</i> , unto the Company;
MSE Bye-Laws	the bye-laws issued by the MSE;
Msida Site	as defined under section 6.1.3.4.2 of this Registration Document;
Official List	the list prepared and published by the MSE as its official list in accordance with the MSE Bye-Laws;
Open-Air Theatre	the building known as “Pjazza Teatru Rjal” in Republic Street in Valletta which is also described as the “Second Property” in the City Gate Emphyteutical Deed;
Parliament Building	the building known as “Parliament House” in Republic Street in Valletta which is also described as the “First Property” in the City Gate Emphyteutical Deed;
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) No. 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 amended from time to time, and as supplemented in accordance with the provisions of Commission Delegated Regulation No. 2019/979 and Commission Delegated Regulation No. 2019/980 issued thereunder, as may be amended from time to time;
Qrendi Site A	as defined under section 6.1.3.4.2 of this Registration Document;
Qrendi Site B	as defined under section 6.1.3.4.2 of this Registration Document;
Qrendi Site C	as defined under section 6.1.3.4.1 of this Registration Document;
Registration Document	this document in its entirety issued by the Company dated 14 th February 2024, forming part of the Prospectus;
Retail Price Index	the inflation index as published for the purposes of the Housing (Decontrol) Ordinance (Chapter 158 of the laws of Malta) or such other comparable index, should the former no longer be computed and published in terms of the said ordinance;
Securities Note	the securities note issued by the Company dated 14 th February 2024, forming part of the Prospectus;
Siggiewi Site	as defined under section 6.1.3.4.2 of this Registration Document;
Sponsor	Curmi & Partners Ltd, a company registered under the laws of Malta with company registration number C 3909 and having its registered office at Finance House, Princess Elizabeth Street, Ta' Xbiex, XBX 1102, Malta;
Summary	the summary issued by the Company dated 14 th February 2024, forming part of the Prospectus;

Transfer Sites	the MIA Site and the VCP Site;
Transfer Contracts	collectively, the MIA Transfer Contract and the VCP Transfer Contract;
VCP	Valletta Cruise Port p.l.c. (formerly VISET Malta p.l.c.), a public limited liability company registered under the laws of Malta with company registration number C 26469 and having its registered office at 45/46, Pinto Wharf, Floriana, FRN 1913, Malta;
VCP Emphyteutical Deed	the public deed dated 22 November 2011, published in the records of Notary Vincent Miceli, pursuant to which the Government of Malta granted the VCP Site, by title of temporary emphyteusis, unto VCP;
VCP Site	such portion of land and buildings, without official number, situated in Floriana having an area of approximately 46,197 square metres;
VCP Transfer Contract	the public deed dated 14 June 2012, published in the records of Notary Tania Spiteri, pursuant to which the Government of Malta granted the VCP Site, by title of <i>dominium directum</i> , unto the Company;
Zebbug Site A	a plot of land forming part of the land known as plots fifteen to nineteen (15-19) Hal Mula, in Triq l-Indipendenza, in Zebbug, Malta, having a superficial area of approximately 841.77 square metres;
Zebbug Site B	as defined under section 6.1.3.4.1 of this Registration Document;
Zurrieq Site	as defined under section 6.1.3.4.1 of this Registration Document.

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

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 THIS PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE COMPANY. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE COMPANY IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER THREE MAIN CATEGORIES, AS FOLLOWS: (I) RISKS RELATING TO THE COMPANY AND ITS BUSINESS; (II) RISKS SPECIFIC TO THE PROPERTY SECTOR; AND (III) RISKS RELATING TO THE COMPANY’S FINANCIAL STRATEGY.

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. 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 OF THE COMPANY 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 COMPANY'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS, AS WELL AS THE ABILITY OF THE COMPANY TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME. 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 COMPANY FACES OR COULD FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE COMPANY'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL ADVERSE IMPACT ON THE COMPANY'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS.

THE PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN AND, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE COMPANY:

- (I) IS NOT INTENDED TO PROVIDE THE BASIS FOR ANY CREDIT OR OTHER EVALUATION;
- (II) IS NOT AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE COMPANY, THE DIRECTORS, ANY OF THE ADVISERS LISTED IN SECTION 4, OR ANY OF THE AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE COMPANY (PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT); AND
- (III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, "FORWARD LOOKING STATEMENTS".

Forward-Looking Statements

Forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "projects", "anticipates", "expects", "envisages", "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 include statements regarding the intentions, beliefs or current expectations of the Company and, or the Directors concerning, amongst other things, the Company's strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets 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 Company's actual operational results, financial condition and performance, and trading prospects may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the operational results, financial condition and performance, and trading prospects of the Company 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 this section 2 headed "Risk Factors" and elsewhere in the Prospectus.

All forward-looking statements contained in the Prospectus are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Company 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.

2.1. RISKS RELATING TO THE COMPANY AND ITS BUSINESS

2.1.1. Risks associated with the Company not being able to realise the benefits it expects from property investments

The Company has made and expects to continue making significant investments in the acquisition, development and improvement of its existing and new properties as deemed appropriate. Renovating and improving existing properties and acquiring and developing new and commercially viable properties are important to the Company's business. The Company is susceptible to experiencing cost over-runs, unanticipated delays in developing property, unanticipated liabilities associated with property under development and by affecting enhancements to development projects. If these risks were to materialise, the Company may fail to realise the expected benefits from investments made in its properties and the Company's business, financial condition and results of operations may be adversely affected.

2.1.2. Risks relating to the illiquidity of the Company's real estate investments

Properties such as those in which the Company currently invests are illiquid. Such illiquidity may affect the Company's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiry of the originally agreed term.

Furthermore, in terms of the City Gate Emphyteutical Deed, the Company is precluded from transferring, burdening, disposing of, alienating or otherwise assigning any part of the properties, from granting any real rights over the properties or from allowing any security interest to subsist thereon without the consent of the Government of Malta, in its capacity as *dominus* (as described in Section 6 of this Registration Document).

With respect to the Affordable Housing Project, the Company is prohibited from selling or otherwise disposing of the developed Affordable Housing Property Sites, or any of the residential units therein, without the written consent of the Government of Malta. However, the Company is entitled to transfer or assign the availability agreements, or grant security over said agreements, in connection with any financing relating to the development and, or the residential units. The Company is also precluded, in terms of the various financing arrangements which it has with credit institutions, both local and foreign, from disposing of its title to and possession of the properties comprising the projects contemplated by said agreements, without the prior written consent of the respective credit institution, and from allowing any security to subsist over the Company's properties.

The abovementioned factors could have an adverse effect on the Company's financial condition and results.

2.1.3. Risks relating to the Company's dependence on the Government of Malta

The Company is dependent upon the Government of Malta fulfilling its obligations under the Emphyteutical Deeds, the Lease Agreements and the obligations reserved to it under each of the Transfer Contracts. The Company, in its capacity as *emphyteuta*, leases the Parliament Building and the Open-Air Theatre to the Government of Malta in consideration for the payment of rent determined in accordance with the Lease Agreements. In view of the permitted uses of the Parliament Building and the Open-Air Theatre, the Company may not be able to replace the Government of Malta as its lessee of the Parliament Building and the Open-Air Theatre at all or to replace the Government of Malta as its lessee on the same commercial terms.

The Company is susceptible to the risk that in certain specific instances the Emphyteutical Deeds may be terminated for reasons which are beyond the Company's control. In view of the nature, scale and specific purpose of the Company's property portfolio, it is possible that the Company may encounter difficulties in sourcing suitable alternative counterparties, if any, to replace the lost revenue.

The Company is also dependent on the Government of Malta fulfilling its obligations under the Availability Agreements pursuant to which the Government of Malta has undertaken to ensure that all the available units forming part of the developments over the Affordable Housing Property Sites are leased at all times in terms of a lease agreement. In the event that the Government of Malta is unable to source an alternative lessee for the lease of the available units, it will be obliged to pay a fee to the Company computed in accordance with the respective Availability Agreement. Should the Government of Malta fail to pay the applicable fees where units are not leased, this could adversely affect the Company's revenue stream and its financial position. Furthermore, should the Company fail to develop the Affordable Housing Property Sites by the agreed date specified in the Availability Agreements, the Company is susceptible to the risk that the Government of Malta will terminate the respective Availability Agreement. In view of the nature, scale and specific purpose of the Affordable Housing Property Sites which were granted on temporary emphyteusis to the Company, it is possible that the Company may encounter difficulties in sourcing suitable alternative tenants, if any, to replace the lost revenue.

The *dominium directum* (as explained in Section 6 of this Registration Document) of the VCP Site and the MIA Site was transferred to the Company pursuant to the Transfer Contracts. The Government of Malta has reserved certain rights and obligations under the Transfer Contracts, namely, that all consents or approvals required under the original deeds of grant will continue to remain exclusively required from the Government of Malta and that all obligations undertaken by the Government of Malta under the original deeds of grant shall continue to be the responsibility of the Government of Malta.

The Emphyteutical Deeds, and Transfer Contracts also contemplate scenarios pursuant to which the Company is required to obtain the prior consent of, to act on the written demand of, and, or to notify the Government of Malta, as applicable.

The business, revenue and projected profits of the Company would be negatively impacted should the Government of Malta fail to honour its respective obligations under the Emphyteutical Deeds, Transfer Contracts and Availability Agreements.

2.1.4. Risks inherent in projections

The Company's projected revenues are described under section 7.2 of this Registration Document. Although the Directors believe that the financial projections included herein have been prepared on a fair and reasonable basis, all forecasts are inherently subject to the risk of adverse unexpected events which may affect the Company's revenue streams and its profitability. The forecast set out in this Registration Document is dependent on a number of assumptions and future expectations that may or may not occur. As such, the forecasts included herein are therefore merely an illustration of a possible future outcome which may or may not occur. The non-occurrence of such future expectations could have serious and material effects on the financial position and results of the Company.

2.1.5. Risks relating to title over immovable property

The Company's proposed developments are dependent on the performance of a due diligence exercise on the good title over the land or immovable property being acquired and, or developed. In doing so, the Company would typically rely on third parties to conduct a significant portion of this due diligence exercise, including legal reports on root of title, property valuations, as well as building and environmental surveys. To the extent that the Company, or its third party advisers, fail to identify defects in title or erroneously assess the materiality or implication of the findings of the due diligence exercise, including environmental liabilities, structure or operational defects, or other material issues, the Company may, notwithstanding that it proceeds with the intended acquisition or development, subsequently be exposed to claims and, or liabilities relating to such issues.

2.1.6. Risks associated with the Company's exposure to claims and litigation is inherent in the Company's operations

All industries, including the property acquisition, development, and management industry, are subject to legal claims, with or without merit. The risk of future claims being made by third parties in the future cannot be excluded. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of litigation and dispute resolution processes, there can be no assurance that the resolution of any legal proceeding or dispute will not have a material adverse effect on the Company's future cash flow, results of operations or financial condition.

All litigation is expensive and time consuming. In addition, the Company's insurance coverage may not be sufficient to cover one or more substantial claims.

Exposure to litigation or fines imposed by regulatory authorities may affect the Company's reputation even though the monetary consequences may not be significant.

2.1.7. Risks relating to the general economic environment and unpredictable events including natural disasters, the spread of contagious disease, industrial action, terrorist activity, and war

The property acquisition, development, and management industries are exposed to the inherent risks resulting from natural disasters, the spread of contagious disease, industrial action, terrorist activity, and war, and their impact on the general economic environment.

The Company has faced, and may continue to face, challenges in the implementation of the Affordable Housing Project in light of workforce shortage, due to travel restrictions, mandatory quarantines and visa renewals, and supply procurement delays due to shortages of steel and other building materials, and shipping delays and increases in costs of raw materials experienced, and claimed, by contractors as a consequence of the conflict between Russia and Ukraine.

The invasion of Ukraine by Russia in February 2022 significantly impacted global commodity and financial markets, leading to supply chain disruptions and increases in the price of energy, oil, gas, and raw materials.

The effect on general macroeconomic and financial conditions remains uncertain and could result in a recession in parts of the global economy, which would adversely affect the Company's businesses, results of operations and financial position.

The continuation or escalation of the conflict could lead to further increases in energy prices, heightened inflationary pressures, further increases in interest rates, and continued instability in financial markets.

These factors, whether individually or collectively, may cause operational issues which prevent the Company from completing its developments resulting from delays, fluctuations in costs and the value of units forming part of the Company's developments as well as the unavailability of the resources required for the completion of these developments.

Furthermore, the operations of the MIA and VCP, may similarly be damaged by the above trends and, or materially disrupted by adverse weather patterns, or other natural disasters, and the spread of diseases.

2.1.8. Risks relating to the Company's investment strategy

Whilst the Company's growth strategy is primarily focused on expanding its property portfolio, the Company may at times identify other investment opportunities. The assessment of potential investment opportunities, and the undertaking and implementation of any new investments may involve significant challenges and risks, including the Company not realising a satisfactory return on the investment, the potential occurrence of difficulties in integrating new employees, business systems, and technology (to the extent applicable), the investment diverting management's attention from the Company's other businesses, or more generally the investment not aligning with the Company's business strategy.

The success of new investments will depend in part on the Company's ability to provide efficient integration from an operational and financial point of view. It may take longer than expected to realise the full benefits from said investments, such as increased revenue, enhanced efficiencies, increased market share, and improved market capitalisation, or the benefits may ultimately be smaller than anticipated or not realised at all. In addition, undertaking, and implementing such investments requires significant costs for legal and financial advice and can take management's focus away from achieving other strategic objectives.

The Company cannot guarantee that it will succeed in identifying new investment opportunities in line with its growth strategy and there is no assurance that these risks or other unforeseen factors will not offset the intended benefits of any investment, in whole or in part.

2.1.9. Risks relating to the failure to implement environmental, social and governance considerations in the Company's business model

There is a growing expectation for enterprises to implement sustainability risks and consider sustainability factors in their day-to-day management and decision-making process. With an increased emphasis on environmental, social and governance ("ESG") considerations at global level, the implementation of sustainable factors in the Company's business model is likely to come under increased scrutiny by investors, regulators, and the public at large. ESG considerations for the purposes of the Company's business may include, but are not limited to, energy performance, energy and resource efficiency, waste management, energy and water use, the use of renewables, as well as social and employment considerations of workers and the health and safety thereof.

In particular, risks relating to the impact of climate change, through physical and transitional channels, including but not limited to, physical risks related to severe weather events, the rise in sea level, and other natural disasters; and transition risks attributable to regulatory, technological, and market or pricing changes, could have economic, operational and financial impacts on the Company, and accordingly the failure by the Company to manage these risks over the short, medium, and long term could have a material adverse effect on the Company's business operations, financial performance and prospects.

From a governance perspective, risks may arise relating to lack of skillful management or good governance within the Company 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 Company's business and reputation.

2.2. RISKS SPECIFIC TO THE PROPERTY SECTOR

The Company is heavily invested in the property acquisition, development, and management markets, which are constantly evolving market segments characterised by specific risks and uncertainties. The Company is intrinsically susceptible to the risks associated with activities in these market segments. The occurrence of any of the factors referred to below could negatively affect the Company's financial condition and results.

2.2.1. Risks relating to property development and construction activities

Property development and construction projects are subject to a number of specific risks:

- the risk of insufficiency or lack of availability of resources to complete development projects in the manner or within the timeframe envisaged;
- the risk of cost overruns and unexpected increases in project execution costs;
- the risk of rental or sales transactions not being effected at the prices and within the timeframes envisaged, which may lead to difficulty in obtaining payment from third parties as well as risks of ultimate unfeasibility of development projects;
- general industry trends, including the cyclical nature of the real estate market, economic depressions, change in market conditions including an oversupply of similar properties, a reduction in demand for real estate, changes in local preferences and tastes, increased competition in any of the markets or sectors in which the Company owns property or is undertaking real estate development;

- delays or refusals in obtaining all necessary zoning, land use, building, development, modifications, occupancy and other required permits and authorisations, including such permits and authorisations from the planning and environment protection authorities, together with legal complexities and uncertainties regarding the rights of the Company to obtain legal title over certain properties, and inconsistencies and inaccuracies in the land registrations system;
- the risk of not recouping costs associated with property surveys, valuation reports, title and environmental investigations, if a proposed investment were not to proceed to completion after such costs have been incurred;
- covenants, conditions, restrictions and easements relating to the properties or their use, whether arising out of law or by way of contractual arrangement;
- laws, rules and regulations, including in relation to acquisition, development, construction, planning, zoning, environmental protection, health and safety, financing, taxation, fiscal policies, insurance and trade restrictions which may impact the development sector;
- although the local property development market has experienced high levels of activity in recent years, there can be no assurance that similar levels of growth or activity will be maintained, particularly in light of increased scrutiny and regulatory intervention; and, or
- high levels of activity in the sector may place a strain on the availability of human and other capital resources required to undertake and complete the development projects that the Company is committed to, or may wish to undertake, from time to time.

The occurrence of any of the risk factors described above could have a material adverse effect on the Company's business, financial condition and results of operations, including by increasing the projected costs and times for completion of ongoing development projects.

2.2.2. Risks relating to the engagement and, or the involvement of third parties in connection with the Company's business and associated counterparty risks

In connection with the Affordable Housing Project and other property development projects it may engage in from time to time, the Company places a degree of reliance on third-parties such as architects, contractors and sub-contractors, and suppliers engaged in the valuation, demolition, excavation, and, or finishing of developments. This gives rise to counterparty risk in those instances where such counterparties (which may include both third parties as well as related parties) do not perform in line with the Company's expectations and in accordance with their contractual obligations due to, among other reasons, their insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond the Company's control.

Such default could have a material adverse impact on the Affordable Housing Project and, or any development projects of the Company, including the ability of the Company to complete projects within stipulated deadlines or with the necessary specifications, failure of which may result in the termination of the Availability Agreements, loss of revenue and reduced profitability of the Company. In addition, the Company's ability to source third-party contractors or sub-contractors having the sector-specific expertise or resources necessary to bid for, undertake and successfully complete development projects could have an adverse effect on the Company's competitive positioning in the property development market.

If these risks were to materialise, this would have an adverse impact on the Company's business, its financial condition, results of operations and prospects.

2.2.3. Risks associated with the rental income of the Company's property portfolio

The Company is entitled to receive all payments of ground rent due by each of MIA in respect of the MIA Site and VCP in respect of the VCP Site. In its capacity as *dominus* of the VCP Site, as explained in Section 6 of this Registration Document, the Company, in addition to the ground rent it receives from VCP, is also entitled to receive an annual payment computed in accordance with a formula based on VCP's revenues. Moreover, the Government of Malta is required to pay lease payments to the Company in respect of the Parliament Building and the Open-Air Theatre.

The rental revenues referred to above may be affected by factors such as changes in the general economic climate and local conditions, rising operating costs, political developments, changes in regulatory and, or fiscal conditions, fluctuations in interest rate levels, changes in inflation levels, the availability of financing and yields of alternative investments. Moreover, MIA and VCP are susceptible to risks inherent in the industries in which they operate as well as the risks specific to their business and thus, these risks may affect the ability of these companies to operate efficiently, which in turn could have an effect on their ability to pay the rent (and any additional fees) due.

In the event that, for whatever reason, the payment of ground-rent and or lease payments are not made in a timely manner, this will have a material adverse effect on the business, revenue and projected profits of the Company. The residential units forming part of the Affordable Housing Project are to be leased to low-income individuals, and families in need of financial assistance, and thus, to communities which are financially fragile, and more susceptible to economic shocks. As a result, there can be no assurance that the lessees will be in a position, at all times, to pay the rent due under the respective

lease agreements, whether due to financial distress, lack of stable employment, or other reasons which are beyond the Company's control. Failure of lessees to effect payment of the rent in a timely manner will have a material adverse effect on the Company's business, revenue and projected profits.

2.2.4. Risks relating to property valuations and net realisable value

The valuations referred to in the Prospectus are prepared by independent qualified architects with due consideration being afforded to the valuation standards published by the Royal Institution of Chartered Surveyors ("RICS"). However, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. In providing a market value of the respective properties, the architect has made certain assumptions which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends as reality may not match the assumptions. Subsequently, the Company may purchase and, or have purchased property on the basis of inaccurate valuations. Moreover, property valuations are largely dependent on current and, or expected market conditions which may fluctuate from time to time. There can be no assurance that the property valuations and property-related assets will reflect actual market values.

2.2.5. Risks associated with ability to obtain necessary planning and development permits and maintaining ongoing compliance therewith

Securing planning approvals by the competent planning and environment authorities in a timely manner is of key importance to the Company's property development activities. There can be no certainty that any given planning application will result in planning approvals being granted, or that if granted, will not be on unduly onerous or restrictive terms, or which, may materially and adversely affect the Company's business. Additionally, time delays to the expected timescale for the granting of planning approval may result in a reduction in the number of units that are available for sale or rent within a proposed timeframe.

Opposition to the Company's proposed developments, and, or appeals lodged against the Company's applications for planning and development permits may also cause, or oblige, the Company to adjust development plans on any pending or future projects, which adjustments may result in a combination of increased development costs and, or reduced revenues estimated to be generated from its development projects. In other instances, such adjustments may be so extensive as to render the development project unfeasible, as a result of which the Company may have to abandon its development project altogether, in which case it may be unable to recover any or all of the development costs, charges and other expenses incurred prior to such abandonment.

The aforesaid opposition or appeals, as well as delays or refusals in obtaining planning permissions which may arise as a result, could, in addition to causing reputational damage, have a material adverse effect on the business, financial condition and profitability of the Company.

Furthermore, local and national planning policies are subject to change, which could consequently impact the Company's development strategy. Any undesirable and unforeseen changes to local and national planning policies may adversely affect the Company's projections, revenue and profit.

2.2.6. Risks relating to the complex and constantly evolving regulatory environment in which the Company operates

The Company operates in a complex regulatory environment, as a result of which it is subject to a vast array of rules and regulations including, but not limited to, those relating and applicable to property acquisition, property development, environmental protection, construction, health and safety, anti-money laundering and counter-terrorist financing, and ongoing disclosure and reporting obligations, among others. Moreover, the regulatory environment in which the Company operates is constantly evolving, with the introduction of new rules and regulations, or the amendment or overhaul of existing ones. The Company is also susceptible to changes in the application and, or interpretation of such rules and regulations, whether as a result of judicial interpretation or due to decisions, orders, directives, and, or guidelines issued by the competent regulatory authorities.

Furthermore, the Company's business and activities may be subject to a variety of terms and conditions under the relevant permits, licences, or other authorisations, technical specifications, drawings, standards and other conditions relating to its property development activities, as well as the on-site works, which terms and conditions may vary on a project-by-project basis, and may depend on the nature, scale and complexity of the project in question.

The inability of the Company to meet its ongoing regulatory and legal requirements, whether in whole or in part, or the inability of the Company to equip itself to comply with forthcoming legislation or regulation in a timely and suitable manner, may expose it to the risk of regulatory sanctioning, including but not limited to, the imposition of public reprimands, administrative penalties, temporary suspension of activities, or even revocation of licences, permits, or other

authorisations, whether in whole or in part. In addition, lack of compliance with legal and regulatory requirements may negatively affect the reputation and goodwill of the Company and may result in a loss of existing or potential business, and, or a weakened competitive advantage.

If any of these risks were to materialise, they could have a material adverse effect on the operational results, financial performance and financial position of the Company.

2.3. RISKS RELATING TO THE COMPANY'S FINANCIAL STRATEGY

2.3.1. Risk relating to the Company's indebtedness

The Company is party to financing agreements in terms of which a substantial portion of the cash flows generated by the Company's operations in the coming years must be dedicated to debt service and debt repayment. These obligations limit the amount of cash that would otherwise be available for other uses including funding of the Company's capital expenditure, working capital, operating costs, distribution of dividends and other general corporate purposes.

With respect to the distribution of dividends, prospective investors should be aware that payments of dividends may be blocked by the Company's lenders if an event of default has occurred under credit facility agreements to which the Company is a party.

Borrowings under any bank credit facilities may be at variable interest rates, which would make the Company vulnerable to increases in interest rates and inherent volatility. Cross-default provisions contained in such facilities which are applicable to the Company could, in the event of the occurrence of a cross default, have a material adverse effect on the financial position of the Company.

Agreements regulating the Company's debt may impose significant operating restrictions and financial covenants on the Company. These restrictions and covenants could limit the Company's ability to obtain future additional financing; incur capital expenditure; create or permit to subsist any charges, liens or other encumbrances in the nature of a security interest; sell, transfer, lease or otherwise dispose of all or a substantial part of its assets; amend, vary or waive the terms of certain acquisition documents or give any consent or exercise any discretion thereunder; acquire any businesses; or make any co-investments or investments over the longer term.

The existing financing agreements contemplate scenarios on the basis of which the various local and foreign credit institutions have the right to suspend and, or cancel any undisbursed portion of the credit granted to the Company and, or demand prepayment of the loan amount. In such case, the Company may be unable to finance the completion of its projects in a timely manner or seek alternative funding where it has defaulted on its contractual obligations under its borrowing arrangements.

2.3.2. Risks relating to the Company's financing and investment strategies

The Affordable Housing Project (as set out in section 6.1.3. of this Registration Document) has been part-financed through bank financing with local and foreign banks. The Company plans to incur additional debt for the purposes of further financing this project (as outlined in section 6.1.3. of this Registration Document). Furthermore, in pursuit of other property development projects, the Company may seek further debt financing, which may have an adverse effect on the profitability of the Company.

The Company may not be able to obtain the financing it requires for the continued operation of its business and investments, including for the acquisition, development, expansion or improvement, and management of existing or new properties, on commercially reasonable terms, or at all.

Changes in banking risk appetite as a result of financial turmoil, property market saturation or any other reason, may decrease the willingness of banks to provide loans to companies and, or to grant loans on commercially favourable terms.

In addition, the Company may be exposed to a variety of financial risks associated with the unpredictability inherent in financial markets, including market risk (such as the risk associated with fluctuations in interest rates and fair values of investments), credit risk (the risk of loss by the Company due to its debtors not respecting their commitments), foreign exchange rate risk, and interest rate risk (such as the risk of potential changes in the value of financial assets and liabilities in response to changes in the level of market interest rates and their impact on cash flows).

The above risks could also affect the Company's long-term ability to refinance and rollover its existing obligations.

If any of these risks were to materialise, they could have a material adverse effect on the Company's business, financial performance, operations and prospects.

2.3.3. Use of borrowings could adversely impact the net asset value of the shares

Whilst the use of borrowings should enhance the net asset value of the shares in the Company, where the value of the Company's underlying assets is rising, this will have the opposite effect where the underlying asset value is falling and would therefore, have a material adverse impact on the Company's financial results, financial position and prospects.

2.3.4. Risks relating to the enforcement of security over the Company's assets

In the event that the Company defaults in its payment of the ground-rent and the proper performance of all its obligations arising from the City Gate Emphyteutical Deed and, or the Affordable Housing Emphyteutical Deed, the Government of Malta may enforce its security over the Parliament Building, the Open-Air Theatre and, or the Affordable Housing Property Sites, as applicable.

Where the Company defaults under the terms of any borrowing agreements entered into, the lender concerned may likewise seize title to any assets securing the liability by enforcing their security. In addition, any amounts owing under borrowing agreements will rank ahead of shareholders' entitlement to the return of capital.

2.3.5. Risks associated with increases in operating costs and other expenses

The Company's operating costs and other expenses could increase without a corresponding increase in turnover or revenue. The factors which could materially increase operating costs and other expenses include:

- i. increases in the rate of inflation, in particular where the income stream of the Company does not increase correspondingly;
- ii. increases in payroll expenses;
- iii. increases in property taxes and other statutory charges;
- iv. changes in laws, regulations or government policies;
- v. increases in insurance premiums;
- vi. unforeseen increases in the costs of maintaining properties; and
- vii. unforeseen capital expenditure.

Such increases could have a material adverse effect on the Company's financial position and its ability to make distributions to its shareholders.

2.3.6. Risks associated with the Company's insurance cover

With respect to losses for which the Company is covered by its insurance policies, it may be difficult and may take time to recover such losses from insurers. In addition, the Company may not be able to recover the full amount from the insurer due to procedural restrictions or formalities, or due to substantive exclusions, exemptions, limitations on coverage, *de minimis* liability coverage limitations, prescriptive time periods and limitations, reporting or other disclosure requirements, licencing or other authorisation or registration requirements, breach of restrictive covenants or undertakings, breach of warranties and, or representations, as well as restrictions or formalities relating to the initiation of, and control over, litigation, investigations or other proceedings relating thereto. Furthermore, the insurance policies may be pledged or otherwise granted as security in favour of third-party financiers or other third parties, and the Company may not be able to recover amounts thereunder where such security subsists.

No assurance can be given that the Company's current insurance coverage would be sufficient to cover all potential losses regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates. In addition, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war, that may be uninsurable or are not economically insurable. Under such circumstances, the insurance proceeds may be inadequate to restore the Company's economic position with respect to the affected real estate.

Moreover, changes in legislation or judicial interpretation, or the issuance or alteration of directives, orders or other measures (whether interim or otherwise), by the relevant authorities (including, but not limited to, governmental departments or authorities, planning authorities, health and safety authorities, and environmental authorities) may impact the ability to recoup losses under the applicable insurance coverage. Furthermore, the actions, or inactions of employees or other officials of the Company, or of contractors, sub-contractors, outsourcing parties, or other third-parties engaged by, or with whom the Company contracts, from time to time, may affect the ability of the Company to successfully make a claim under its insurance policies.

3. PERSONS RESPONSIBLE AND STATEMENT OF APPROVAL

The Directors of the Company, whose names appear in section 8.1 of this Registration Document under the sub-heading "*The Board of Directors of the Company*", 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 accept responsibility accordingly.

The Company has given its consent for drawing up the Prospectus and to its use. The Company accepts responsibility for the content of this Prospectus and to the subsequent resale of the Shares by the Authorised Financial Intermediaries and as explained further in section 3.2 of the Securities Note.

In this Registration Document, the property valuation reports referred to in section 16 have been prepared by Architect Paul Camilleri and Architect Chris Cachia at the request of the Company. Architect Paul Camilleri and Architect Chris Cachia have each given, and have not withdrawn, their consent for the property valuation reports and, with respect to Architect Chris Cachia, for a condensed format of the property valuation reports prepared thereby, to be included in Annex II to this Registration Document in the form and context in which they appear.

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 Company (as the subject of this Registration Document).

This Registration Document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

4. ADVISERS AND STATUTORY AUDITORS

4.1. ADVISERS

Legal Advisers

Name: **Camilleri Preziosi**
Address: Level 3, Valletta Buildings, South Street,
Valletta VLT 1103, MALTA

Reporting Accountants

Name: **PricewaterhouseCoopers**
Address: 78, Mill Street
Zone 5, Central Business District
Qormi CBD 5090

Sponsor

Name: **Curmi & Partners Ltd**
Address: Finance House, Princess Elizabeth Street,
Ta' Xbiex XBX 1102, MALTA

Manager and Registrar

Name: **Bank of Valletta p.l.c.**
Address: 58, Zachary Street
Valletta, VLT 1130, MALTA

4.2. Auditors

Name: **PricewaterhouseCoopers**
Address: 78, Mill Street
Zone 5, Central Business District
Qormi CBD 5090

The annual statutory financial statements of the Company for the financial years ended 31 December 2020, 2021 and 2022 have been audited by PricewaterhouseCoopers. PricewaterhouseCoopers is 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 PricewaterhouseCoopers is AB/26/84/38.

5. INFORMATION ABOUT THE COMPANY

5.1. History and Development of the Company

Full Legal and Commercial Name of the Company:	Malita Investments p.l.c.
Registered Address:	Clock Tower, Level 1, Tigne' Point, Sliema, Malta
Place of Registration and Domicile:	Malta
Registration Number:	C 53047
Legal entity identifier ('LEI'):	213800NMXCAAV2SVPG27
Date of Registration:	3 June, 2011
Legal Form:	The Company is lawfully existing and registered as a public limited liability company in terms of the Act.
Telephone Number:	+356 2132 3503
Email:	info@malitainvestments.com
Website:	https://malitainvestments.com/

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

The Company was incorporated on the 3 June 2011 by the Government of Malta and Malta Investment Management Company Limited (C 9588) for the purposes of acquiring, under any title, immovable property owned by the Government of Malta and to develop and manage the said immovable property. The Company finances its activities through a mix of debt and equity financing.

Set out below is a chronological overview of the key events in the development of the Company's business:

Year	Event
14 June 2012	The Company acquires the <i>dominium directum</i> (as explained in Section 6 of this Registration Document) of the VCP Site and the MIA Site
25 June 2012	The Company secures financing from EIB to acquire the temporary emphyteusis of the Parliament Building and the Open-Air Theatre
26 June 2012	The Company acquires the land over which the Parliament Building and the Open-Air Theatre under title of temporary emphyteusis and leases the Parliament Building and Open-Air Theatre to the Government of Malta
2 July 2012	The Company makes an offer to the public of 30,000,000 Ordinary "B" Shares in the issued share capital of the Company having a nominal value of €0.50 per share (representing 20.2% of the issued share capital of the Company) and such shares are subsequently admitted to listing and trading on the Official List of the Malta Stock Exchange
28 June 2017	The Company secures financing from EIB and CEB to acquire the temporary emphyteusis of the Affordable Housing Property Sites
29 December 2017	The Company acquires the Affordable Housing Property Sites under title of temporary emphyteusis

5.2. Organisational Structure

The Company is a stand-alone entity and does not form part of a group of companies. The Company does not have any subsidiary or affiliated company. It has no interests in any other undertakings or in any joint ventures. As at the date of this Registration Document, all the ordinary shares issued in the issued share capital of the Company are admitted to listing and trading on the Official List of the Malta Stock Exchange.

6. BUSINESS OVERVIEW

6.1. Principal Activities

The Company operates as an investment holding company and its principal activities include the financing, acquisition, development, management and operation of immovable property, in particular, projects of national and, or strategic importance.

6.1.1. Parliament Building and Open-Air Theatre

During 2010, the Government of Malta commenced the development of the area known as “City Gate” in Valletta, Malta, which development reflects the schematic designs of the internationally-recognised Architect Renzo Piano. The development of the “City Gate” area consisted of the development of the Parliament Building, the re-purposing of a historical site into the Open-Air Theatre and the landscaping of public areas.

Pursuant to a public deed dated 26 June 2012, the Government of Malta granted unto the Company, under title of temporary emphyteusis, the land over which the Parliament Building and the Open-Air Theatre were developed, and agreed to complete the development of the Parliament Building and the Open-Air Theatre. It was further agreed that, upon completion of the development, the Company would lease the Parliament Building and the Open-Air Theatre to the Government of Malta. The Open-Air Theatre and the Parliament Building were completed in the year 2013 and the year 2019, respectively.

6.1.1.1. Parliament Building and Open-Air Theatre Emphyteutical Deeds

On 26 June 2012, the Government of Malta entered into a public deed pursuant to which the Government of Malta granted the Parliament Building and the Open-Air Theatre to the Company under title of temporary emphyteusis for a period of 65 years, commencing from the date of publication of the deed. In terms of the deed, the Government of Malta agreed to complete the development of the Parliament Building and the Open-Air Theatre in accordance with the pre-established specifications and timelines.

The Government of Malta had, pursuant to a contracting agreement dated 28 December 2011, engaged The Grand Harbour Regeneration Corporation plc (C 42094) (“GHRC”) to construct, develop and complete the City Gate area. GHRC is a public limited liability company set up in August 2007 as a government entity under the Ministry for Infrastructure, Transport and Communication. GHRC’s main activity is the promotion of the implementation of selected projects for the Grand Harbour area in Malta.

The consideration payable by the Company for the acquisition of the temporary emphyteusis is an annual revisable ground rent in terms of the emphyteutical deed (revisable every three years by the higher of 5% and the rate of inflation as determined by the Retail Price Index), and a premium of €89,000,000 (previously €82,000,000). The premium was settled by the Company in favour of the Government of Malta prior to the date of publication of the abovementioned public deed by virtue of a novation agreement dated 28 December 2011 (and as modified by means of an agreement dated 27 February 2012) between the Company, the Government of Malta and GHRC. Pursuant to the novation agreement, and subject to a number of conditions, the Company, *inter alia*, assumed the obligation, of the Government of Malta, to pay GHRC the compensation due to GHRC in terms of the contracting agreement (that is, in connection with the construction, development and completion of the City Gate area equivalent to €82,000,000). Subsequently, on 20 April 2017 the Company agreed to pay an additional €7,000,000 representing improvements made to the Parliament Building thus, bringing the total cost to €89,000,000. In consideration of such improvements the rent due for the Parliament Building was increased as detailed in section 6.1.1.2 below. Any costs and expenses relating to the project for the development of the City Gate area which exceeded the €89,000,000 were not borne by the Company. The current ground-rent payable by the Company to the Government of Malta is €115,761 per annum (this was originally established at €100,000 per annum), reflecting the revised ground-rent in accordance with the terms of the emphyteutical grant.

As security for the payment of the ground-rent and the proper performance of all the obligations arising from the City Gate Emphyteutical Deed, the Government of Malta reserved in its favour a special privilege over the Parliament Building and Open-Air Theatre accorded to it by law.

The City Gate Emphyteutical Deed contains, *inter alia*, provisions which oblige the Company to maintain the Parliament Building and the Open-Air Theatre, to carry out all preventive and remedial maintenance, and all ordinary and extraordinary repairs, not to effect any alterations to the said sites (unless such alterations are permitted in terms of the deed), to maintain sufficient insurance policies over the buildings and the improvements thereon, and to provide public access to certain determined areas.

Furthermore, in terms of the said deed, the Company is prohibited from transferring, burdening, disposing of, alienating or otherwise assigning any part of the properties and from granting any real rights over the properties or from allowing any security interest to subsist thereon without first obtaining the written consent of the Government of Malta in its capacity as *dominus* (holder of legal ownership of the property). Notwithstanding the foregoing, subject to such conditions as laid down in the deed, the Company is not prohibited from granting on lease, or under management agreement, or by way of concession, the Parliament Building and, or the Open-Air Theatre to be used in accordance with the permitted use.

The Government of Malta is entitled to dissolve the emphyteutical grant over the Parliament Building and the Open-Air Theatre should an event of default occur, subject to such grace period and other conditions contained in the deed. Such events of default include:

- (i) if the Company fails to pay the ground rent for three years or a sum equivalent thereto;
- (ii) if the Parliament Building or the Open-Air Theatre are used for a purpose which is not in accordance with the deed;
- (iii) if the Company extends any building or structure constructed on the properties onto land adjacent thereto;
- (iv) if the Company fails to insure the properties and, or does not observe the prohibitions on transfers and encumbrances;
- (v) if it results that the Parliament Building and, or the Open-Air Theatre are being controlled by an undesirable person (as defined in accordance with the deed);
- (vi) if the Company is in material breach of its other obligations; or
- (vii) if the Company becomes insolvent, if a winding order is passed against the Company or a compromise or arrangement involving the Company in terms of article 327 of the Act, is applied for or sanctioned by the court.

6.1.1.2. Parliament Building and Open-Air Theatre Lease Agreements

On 26 June 2012, the Company, as lessor, and the Government of Malta, as lessee, entered into the Lease Agreements pursuant to which the Company granted unto the Government of Malta, under title of lease, the Parliament Building for an automatically renewable period of 20 years and the Open-Air Theatre for an automatically renewable period of 30 years. The lease of the Open-Air Theatre commenced in the year 2013, and that of the Parliament Building commenced in the year 2019. Both leases are subject to the revisable payment of rent. The rent payable to the Company in respect of the lease of the Parliament Building is €5,006,604.78 per annum (under the respective lease agreement this was originally established at €3,680,000, per annum) and with effect from 1 June 2017, was increased, by virtue of an amendment agreement dated 20 April 2017, by an additional €750,000 each year on account of improvements made to the Parliament Building as referred to in section 6.1.1.1. above. The rent payable to the Company in respect of the lease of the Open-Air Theatre is €1,787,895.00, per annum (under the respective lease agreement this was originally established at €1,550,000, per annum). The rent due under the Lease Agreements are payable on a semi-annual basis and are revisable upwards every three years by the rate of inflation as determined by the Retail Price Index.

The Company is responsible to pay and effect any extraordinary repairs to the leased properties whereas the Government of Malta is responsible to make all necessary ordinary repairs thereto. The Government of Malta is entitled to sub-let the Parliament Building however, the Government of Malta shall remain responsible for the fulfilment of its obligations in terms of the respective Lease Agreement.

The Company may, subject to such grace periods and other conditions contained in the Lease Agreements, terminate the respective leases if the Government of Malta:

- (a) fails to pay the rent or any other sum due to the Company;
- (b) makes use of the leased properties in a manner which is manifestly contrary to their permitted use, including where the Government of Malta does not use either of the leased premises;
- (c) breaches or fails to perform or observe any of the other obligations undertaken by it in the respective Lease Agreement;
- (d) if the sub-lessee is or at any time becomes an undesirable person.

The terms of the respective Lease Agreements will not extend beyond the date of termination or rescission of the City Gate Emphyteutical Deed.

The Company's rights under the City Gate Emphyteutical Deed and each of the Lease Agreements, respectively referred to in Sections 6.1.1.1 and 6.1.1.2 above, were assigned in favour of the EIB by way of security in accordance with a security by title transfer deed dated 27 September 2012. The collateral granted in terms of the said deed secures the Company's liabilities due to the EIB in terms of two finance contracts entered into on 25 June 2012 by virtue of which, the EIB granted the Company credit facilities of up to €40,000,000 in connection with the development of the Parliament Building and the Open-Air Theatre.

6.1.2. Malta International Airport and Valletta Cruise Port

On 14 June 2012, the Company and the Government of Malta entered into the Transfer Contracts pursuant to which the Company acquired, from the Government of Malta, the title of *dominium directum* (legal ownership of the property) over the Transfer Sites, which real right would entitle the Company to receive, with effect from 1 December 2011, all payments of ground rent due by each of VCP in respect of the VCP Site and MIA in respect of the MIA Site in terms of the temporary emphyteutical grants originally granted by the Government of Malta. In consideration of the said transfers, the Company issued in favour of the Government of Malta an aggregate amount of 68,108,064 fully paid up Ordinary 'A' Shares of a nominal value of €0.50 per share. The Company is also vested with the privileges and hypothecs originally reserved by or granted to the Government of Malta on the said original emphyteutical deeds and, accordingly, the payment of ground rent in respect of: (i) the MIA Site is secured by means of a special privilege over the MIA Site and a general hypothec granted by MIA over its property; and (ii) the VCP Site is secured by means of a special privilege over the VCP Site and a general hypothec granted by VCP over its property.

Each of the Transfer Contracts provide that in the event that the Company decides to transfer the Transfer Sites or part thereof under any title and within 99 years from the date of the respective Transfer Contract, the Government of Malta shall have the right of first refusal to assume such title under the same conditions. Such right of first refusal is exercisable by the Government of Malta within two months from the date of receipt of the offer to submit its acceptance in writing. In the event that the Government of Malta does not accept the offer, the Company is entitled to proceed with the transfer to any third party provided that the transfer is not made to any such third party at conditions which are more favourable than those offered to the Government of Malta and provided further that the deed of transfer contains a number of conditions set out in the respective Transfer Contract, including the reservation in favour of the Government of Malta of the right of first refusal on any subsequent transfers.

In the event that an action, or omission, of the Company could give rise to payment obligations or any other liability of the Government of Malta towards VCP and, or MIA in terms of the original deeds of grant, the Company is required to obtain the prior written consent of, to act on the written demand of, and, or to notify the Government of Malta, as applicable in accordance with the provisions of the Transfer Contracts. The transfers of the title of *dominium directum* to the Company of the VCP Site and the MIA Site, are made under the express condition that the Company does not modify, amend, substitute or otherwise change the provisions of the original deeds of grant without the prior written consent of the Government of Malta.

6.1.2.1. Valletta Cruise Port Emphyteutical Deed

On 22 November 2001, the Government of Malta granted to VCP the VCP Site under title of temporary emphyteusis for a period of 65 years expiring on 22 November 2066. VCP manages cruise and international ferry terminal operations and leisure facilities situated at the VCP Site. VCP has also restored the Pinto and Forni stores situated within the VCP Site. The management rights and emphyteutical concession was granted by the Government of Malta to VCP following an international tender issued by the Government of Malta in 1996.

The consideration payable by VCP for the acquisition of the temporary emphyteusis is by way of an annual temporary ground rent of €808,333 (in terms of the VCP Emphyteutical Deed, this was originally established at €559,049.62), revisable upwards at the beginning of the fourteenth year of the emphyteutical term by the higher of 20% or such amount as will represent the rate of inflation applicable in terms of the said deed. After the fourteenth year, the ground rent is revisable at the beginning of every subsequent five 12-month periods until the beginning of the sixty fourth 12-month period, whereby the amount of the ground rent is to be increased by the higher of 10% or such amount as will represent the rate of inflation applicable in terms of the deed.

In addition, the deed also caters for the payment of a sum equal to 15% of all VCP's revenue during the previous 12-month period deriving from the letting of buildings and facilities existing, or which may be constructed, on the VCP Site. At the end of each 12-month period, VCP is also required to pay a sum equivalent to 10% of all gross revenue deriving from passenger and cruise liner operations and other activities which may be generated from the VCP Site and other sites over which VCP has management rights.

Any amounts due by VCP in terms of the preceding paragraph are reduced by the amount of the ground rent paid by VCP. In the event that the amount due by VCP in terms of the two preceding paragraphs is less than the ground rent, no payment from VCP will be due in terms of the said paragraphs.

In addition, in terms of the deed, a payment of €2,795,248 was due by VCP, which payment was settled by VCP issuing in favour of the Government of Malta (at the time, the *dominus*), 1,200,000 preference shares of a nominal value of €2.329373 per share. VCP notified the public on 12 February 2010 that the said shares held by the Government of Malta were redeemed and paid in full by VCP.

6.1.2.2. Valletta Cruise Port Transfer Contract

On 14 June 2012, the Government of Malta transferred the title of *dominium directum* held by it over the VCP Site to the Company. As a result of the execution of the VCP Transfer Contract, the Company is entitled to receive all amounts of ground rent and other payments which are payable under the original emphyteutical grant, the right to demand and receive penalties stipulated under the original grant, the right to give or otherwise any consent, approval or direction required from the *dominus* under the original grant, the right to exercise discretion, the right to oversee and demand the observance of the terms and conditions of the original grant, the right to exercise remedial action or the dissolution of the original grant, and the right to the reversion of the VCP Site on the expiry, or earlier termination of the original grant.

The transfer of the temporary *dominium directum* of the VCP Site, and the subsequent ownership thereof and the transfer and assignment of receivables under the emphyteutical grant were made in consideration of the total amount of €12,524,395.

The VCP Transfer Contract contains provisions which continue to bind the Government of Malta to perform certain obligations and exercise certain rights and discretions emanating from the original deed of grant notwithstanding the transfer of the *dominium directum* in favour of the Company. In this respect, the VCP Transfer Contract also contains indemnities from the Government of Malta in favour of the Company for certain losses which may be suffered by the Company in specific circumstances.

After the expiry, or earlier termination, of the 65-year grant in favour of VCP, the Company will be vested with the freehold ownership of the VCP Site.

6.1.2.3. Malta International Airport Emphyteutical Deeds

MIA commenced operations on 1 January 1992. Initially, MIA managed and operated the air terminal in Malta and was later entrusted with the responsibility of the entire airport. Before 1992 these activities had been undertaken by the Government of Malta's Air Terminal Department since 1 January 1989, and before that by the Government of Malta's Department of Civil Aviation (DCA). On 1 May 1998, in addition to the operation of the air terminal activities, MIA also took over the operation and management of the airfield facilities as well as the air traffic control of Malta's Flight Information Region. Accordingly, MIA operates and manages all of the airport facilities of Malta's only licensed airport.

MIA's core air terminal operations from the MIA Site include general passenger services and the operation of an extensive range of retail services at the airport, airside and landside shops, restaurants and other outlets, which are all operated on concession agreements. MIA also leases office space to airlines and other travel related operators at the airport.

Pursuant to the public deeds dated 26 July 2002 and 1 July 2010, respectively, the Government of Malta granted unto MIA, the MIA Site under title of temporary emphyteusis for a period of 65 years expiring on 25 July 2067. The annual ground rent payable by MIA in terms of the 2002 deed was originally €698,812. The annual ground rent payable by MIA in terms of the 2010 deed was originally €71,308. Currently, the total annual ground rent payable by MIA is €1,316,531. Both ground-rents are payable in two equal instalments, half-yearly in advance, and are revisable upwards every fifth year of the emphyteutical grants by 15% on the ground rent payable annually in terms of the said deed in each year in the immediately preceding five year term.

According to the emphyteutical deed dated 26 July 2002, the emphyteutical grant may be terminated, subject to such cure periods as may be applicable, and other conditions as laid down in the deed by MIA if:

- (a) the Company is in material breach of its obligations;
- (b) the Company is in breach of the warranties granted under the deeds;
- (c) a part of the MIA Site is expropriated or MIA is evicted from a part of the airfield or the Government of Malta expropriates the whole MIA Site or evicts the MIA from the airfield; or
- (d) an event of force majeure has continued for a period in excess of six consecutive months.

Either party is also entitled to dissolve the emphyteutical grant following a revocation of the aerodrome licence.

6.1.2.3.4. Malta International Airport Transfer Contract

On 14 June 2012, the Government of Malta transferred the title of *dominium directum* held by it over the MIA Site to the Company. As a result of the entry into the MIA Transfer Contract, the Company is entitled to receive all amounts of ground rents which are payable under the original emphyteutical grant, the right to demand and receive the penalties stipulated

in the original grants, the right to oversee and demand observance of the terms and conditions of the original grants, the right to exercise remedial action or the dissolution of the original grants and the right to reversion of the MIA Site on the expiry, or earlier termination of the original grants. The transfer of the temporary *dominium directum* of the MIA Site, and the subsequent ownership thereof and the transfer of the right to receive ground rent under the emphyteutical grant were made in consideration of the total amount of €21,529,637.

In terms of the original grant, the Government of Malta is entitled to transfer the *dominium directum* over the MIA Site but is required to remain responsible for all the obligations undertaken by it pursuant to the original deeds, including the payment of compensation, where applicable. Moreover, all consents or approvals required from the Government of Malta pursuant to the original deeds, continue to be exclusively required from the Government of Malta.

The MIA Transfer Contract contains indemnities from the Government of Malta in favour of the Company for any claims made by MIA against the Company as a result of all indemnities given, promised or assumed by the Government of Malta on the original deed.

After the expiry, or earlier termination of the 65-year grant in favour of MIA, the Company will be vested with the freehold ownership of the MIA Site.

6.1.3. Affordable Housing Project

The latest project being undertaken by the Company is the 'Affordable Housing' project – a project which involves the Ministry for Social Accommodation and the Housing Authority allocating social housing to persons in need (the "**Affordable Housing Project**").

In 2018, the Government of Malta issued a request for proposals requesting interested parties to commit to make available one or more developments for the purpose of leasing residential apartments to families in need, in consideration for a guaranteed annual rent. The Company submitted its bid, and was awarded the project.

In order to undertake this project, the Company acquired the Affordable Housing Property Sites from the Housing Authority under title of temporary emphyteusis for a term of 36 years commencing from December 2017. Upon the lapse of the abovementioned term, the ownership of the land, together with any improvements constructed thereon, will revert to the Housing Authority. The project involves the construction and rental of a number of affordable housing accommodation units, including garages, developed on the land acquired from the Housing Authority. A number of these units have been completed in 2022 and 2023, and the remainder of the units are expected to be completed over the course of 2024, 2025 and 2026.

Upon completion of the construction of the sites, the Company is to rent the residential units to individuals who qualify for affordable housing and who are in possession of the relevant certificate from the Housing Authority. In consideration for the lease of the residential units, the tenants are required to pay rent directly to the Company at a subsidised rate. The subsidised amount is paid by the Housing Authority (on behalf of the Government of Malta) directly to the Company.

After the expiry of the emphyteutical term of the sites, the ownership of the Affordable Housing Property Sites, and all improvements made thereon, will revert to the Housing Authority.

The construction and completion of the Affordable Housing Project is financed by three credit facilities (the "**Credit Facilities**") namely:

- (a) a finance contract entered into on the 28 June 2017, as amended on 11 May 2021 and as further amended on 26 October 2021 (and as the same may be amended, supplemented or restated from time to time) (the "**EIB Finance Contract**"), by and between the Company in its capacity as borrower and the EIB, in its capacity as lender, by virtue of which EIB granted a credit of twenty four million and seven hundred thousand Euro (€24,700,000) to the Company;
- (b) a framework loan agreement entered into on the 28 June 2017, as amended on 14 May 2021 (as the same may be amended, supplemented or restated from time to time) (the "**Framework Loan Agreement**"), by and between the Company in its capacity as borrower and the CEB, in its capacity as lender, by virtue of which CEB granted a facility of twenty nine million Euro (€29,000,000) to the Company; and
- (c) a sanction letter dated 5 February 2021 (as the same may be amended, supplemented or restated from time to time) (the "**BOV Facility**"), signed by the Company in its capacity as borrower and Bank of Valletta in its capacity as lender, by virtue of which Bank of Valletta renewed and increased its facilities with the Company, including Loan II (as defined therein) of four million and three hundred thousand Euro (€4,300,000) to the Company, in order to finance part of the Value Added Tax (VAT) costs of this project.

As a condition for the disbursement of the aforesaid Credit Facilities, the following security in favour of EIB, CEB and Bank of Valletta must be in place:

- (a) security by title transfer over the Availability Agreements; and
- (b) security by title transfer over the Affordable Housing Emphyteutical Deed (as defined below).

The Company must procure the issuance of a first demand guarantee by Bank of Valletta in favour of EIB and CEB respectively for an aggregate amount of €61,755,000.

The Affordable Housing Project has now entered into a new phase whereby several of the Affordable Housing Property Sites have been completed and are occupied by tenants. However, due to variations made to the original plans of the Luqa Site to accommodate the construction of additional residential units and car spaces thereon, the full completion of the Affordable Housing Project has been delayed. Additionally, due to this expansion and other factors beyond the control of the Company, including increased costs driven by supply chain constraints, the total capital expenditure required to complete the Affordable Housing Project has increased by *circa* €63 million. In this respect, this amount is expected to be financed through a combination of new credit facilities currently being negotiated and the proceeds of the Rights Issue.

6.1.3.1. Affordable Housing Emphyteutical Deed

On 29 December 2017, the Company and the Housing Authority entered into a public deed pursuant to which the Housing Authority granted, by title of temporary emphyteusis, unto the Company, 16 property sites in 10 localities across Malta, for a period of 28 years, for the purpose of developing the affordable housing units thereon. On 28 November 2023, the Company and the Housing Authority entered into another public deed pursuant to which the Company agreed to renounce to its emphyteutical rights over the Zebbug Site A in favour of the Housing Authority and return the said site to the Housing Authority, in consideration of the extension of the term of the emphyteutical grant relative to the Affordable Housing Property Sites by a further eight (8) years. By virtue of the said extension, the emphyteutical grant is for a term of 36 years, commencing from the date of publication of the Affordable Housing Emphyteutical Deed, that is from December 2017 until December 2053.

The consideration payable by the Company to the Housing Authority for the acquisition of the temporary emphyteusis is an annual, temporary and revisable ground-rent payable half-yearly in advance, and a premium of €1,177,200. The total annual ground-rent payable by the Company in terms of the Affordable Housing Emphyteutical Deed was €139,603. The renunciation by the Company of the temporary utile dominium over the Zebbug Site A, and the consequent reversion of said site unto the Housing Authority, resulted in the proportionate diminution of the annual, temporary and revisable ground-rent payable in terms of the Affordable Housing Emphyteutical Deed. The ground-rent is revisable upwards every 3 years of the emphyteutical grant by increasing the *pro tempore* ground-rent payable during the year immediately preceding the relative revision, by 5%. As at the date of this Registration Document, the ground-rent payable is €153,912.

As security for the payment of the ground-rent and the performance of the obligations arising from the emphyteutical grant, the Housing Authority reserved in its favour a special privilege on the Affordable Housing Property Sites accorded to it by law.

Pursuant to the emphyteutical grant, the Company and the Housing Authority agreed that the Affordable Housing Property Sites are to be used for social housing requirements and public and community services or utilities ancillary thereto. Furthermore, the emphyteutical grant permits the Company to use the Affordable Housing Property Sites exclusively to promote the safeguarding of the environment and the development of agriculture, and to meet the Company's most pressing social requirements, such as social housing and public utilities, as well as for humanitarian, educational and cultural purposes.

The emphyteutical grant contains provisions which oblige the Company to maintain the Affordable Housing Property Sites, at all times, in a good state of repair, and at its own risk, cost and expense, to carry out all preventive and remedial maintenance as may be necessary in accordance with applicable law, and internationally recognised industry standards, and all ordinary and extraordinary repairs and maintenance, to obtain the Housing Authority's written consent prior to implementing any works to the Affordable Housing Property Sites (unless the works are permitted in accordance with the deed) and to maintain sufficient insurance policies over the Affordable Housing Property Sites and all improvements thereon.

Furthermore, in terms of the said deed, the Company may not, without first obtaining the written consent of the Housing Authority (which consent may be granted or withheld by the Housing Authority in its sole discretion), in its capacity as *dominus*, transfer, burden, dispose of, alienate or otherwise assign, the Affordable Housing Property Sites or grant any real rights in connection therewith under any title whatsoever or grant or allow any security interest to subsist on the Property Sites.

However, the Company is entitled to, without the need to obtain consent from the Housing Authority, grant or create or allow to subsist any security interest over the Affordable Housing Property Sites and over all or any of the Company's

rights under the deed for the purpose of obtaining financing through banking institutions and, or other entities which will lend, or through which finance will be made available, to the Company solely for the purposes of developing the Affordable Housing Property Sites in accordance with the permitted use. Such security interests and any or all of the Company's rights and obligations under this deed may be assigned, novated or in any other manner transferred or disposed of in connection with said financings.

Moreover, the Company is not prohibited from granting on lease or under management agreement or by way of concession, to a person who is not an undesirable person (as defined in accordance with the deed), the Affordable Housing Property Sites to be used in accordance with the permitted use. Such grant shall be made in accordance with the terms and conditions outlined in the deed.

In terms of the deed, the Housing Authority is entitled to dissolve the emphyteutical grant over the Affordable Housing Property Sites should an event of default occur, subject to such grace period and conditions stipulated in the deed. Such events of default include:

- (a) if the Company fails to pay the ground-rent for 3 years or a sum equivalent thereto;
- (b) if the Affordable Housing Property Sites, or any of them, are used for any purpose other than the permitted use (unless the Housing Authority has granted its consent, in writing, to such other purpose;
- (c) if the Company fails to obtain and keep in full effect the insurance policies which it is required to keep in accordance with the terms of the deed;
- (d) if the Company is in breach of the provisions of the deed dealing with restrictions on transfers and encumbrances;
- (e) if it results that the Affordable Housing Property Sites or any of them are being controlled by an undesirable person (as defined in accordance with the deed);
- (f) if the Company is in material breach of any of its other obligations under the deed;
- (g) if the Company becomes insolvent, if a winding up order is made against the Company or the appointment of a liquidator or provisional administrator, if a resolution for the voluntary winding up of the Company is passed or a compromise or arrangement involving the Company in terms of article 327 of the Act, is applied for or is sanctioned by the Court.

If the event of default is specific to one of the Affordable Housing Property Sites, the dissolution of the emphyteutical grant will be limited to the relevant Affordable Housing Property Site. The Company waives its right to any compensation arising as a result of the reversion of the Affordable Housing Property Sites to the Housing Authority for any reason whatsoever.

The Company is entitled to terminate the emphyteutical grant if the Housing Authority is in material breach of any of its obligations under the emphyteutical grant, subject to the payment of compensation for direct or indirect losses, damages, costs, expenses or liabilities suffered or incurred by the Company in connection with the dissolution of the emphyteutical grant.

6.1.3.2. Affordable Housing Availability Agreements

In September 2018, the Company and the Government of Malta entered into 16 availability agreements pursuant to which the Company agreed to make the developed residential units forming part of the Affordable Housing Property Sites exclusively available to the Government of Malta for the duration of a period of 25 years commencing from the development availability date ("**Availability Agreements**"). During this period, the Company is only entitled to lease the residential units forming part of the developed Affordable Housing Property Sites to individuals who qualify for affordable housing and who are in possession of the relevant certificate from the Housing Authority, in consideration for the payment of rent.

In terms of each Availability Agreement, the Company undertook to develop and construct the Affordable Housing Project Sites by a specified date and to make the said developments available to the Government of Malta by the said dates. In turn, the Government of Malta undertook to ensure that all the units forming part of the Affordable Housing Project Sites shall be leased to tenants. Due to factors outside the Company's control, the Company experienced delays in the construction and development of a number of such sites, such that the said sites were completed, or are expected to be completed, as at a date which extends beyond the availability date originally set in the relevant Availability Agreement. The delays in construction were also expected to adversely affect the projected revenue generated from the said sites. For this reason, the Company and the Government of Malta agreed to extend the availability dates to reflect said delays, and furthermore, on 28th November, 2023, the Company and the Government of Malta, entered into an agreement pursuant to which the parties agreed to extend the terms of the availability agreements until such time as the term of the emphyteutical concession, granted to the Company by the Housing Authority, expires. As a result of the foregoing, the availability period in respect of each availability agreement shall expire in December 2053 (the "**Availability Period**"). By virtue of said agreement, the parties also agreed to terminate the availability agreement with respect to the Zebbug Site A.

As at the date of this Registration Document, the development of 7 of the Affordable Housing Property Sites has been completed and been made available to the Government of Malta. The remainder of the sites are expected to be completed over the course of the next two years. In this regard, please see Section 6.1.3.4 which sets out further detail on the status of the completion of the development of each Affordable Housing Project Site.

The Availability Agreements contain provisions which require the Company to retain title to the developed Affordable Housing Property Sites for the duration of the Availability Period, and to ensure that each residential unit within the developed Affordable Housing Property Sites are in a good state of repair and in a habitable condition for the duration of the Availability Period. The Company is also responsible for the operation and management of the developed Affordable Housing Property Sites including all extraordinary maintenance of the developed Affordable Housing Property Sites and the residential units, and ordinary maintenance of the common parts of the developed Affordable Housing Property Sites, subject to terms of the relevant condominium agreement relating to the developed Affordable Housing Property Sites.

In consideration for making residential units available solely to lessees for the duration of the Availability Period, the Government of Malta must ensure that as from the development availability date, all residential units which are available during the Availability Period are, at all times, leased pursuant to a lease agreement. In the event that any one or more of the available residential units are not leased in this manner for any cause not directly attributable to the Company, the Government of Malta shall pay the Company an availability fee. An availability fee will also be payable by the Government of Malta to the Company where a lessee fails to vacate a residential unit notwithstanding termination of the lease agreement, or for any period during which said unit cannot be leased due to court proceedings relating to termination by the Company. The availability fee is equivalent to the rent which the lessor would have received from the residential units if such units were leased in terms of a lease agreement.

In the event that a residential unit is not in a good state of repair and in a habitable condition (i.e. is unavailable) for any cause directly attributable to the Company for a period exceeding 30 days in any given year, the Company shall pay a daily penalty, per unit, to the Government of Malta.

According to the Availability Agreements, the Company or the Government of Malta, as applicable, are entitled to terminate the agreements, without need of judicial recourse, in the event that the other party is in material breach of the agreement, subject to such grace period as stipulated in the agreements. The following breaches are considered to be material breaches:

- (a) if the Government of Malta fails to pay the availability fee to the Company within 3 months from the date when it becomes applicable;
- (b) if the Company fails to achieve the development availability date within 6 months from the scheduled development availability date as defined in the respective Availability Agreement; and
- (c) if the Company fails to pay the penalty due as a result of the unavailability of residential units within 3 months from the applicable date.

Where the Company terminates the Availability Agreement in accordance with the above, the Government of Malta is bound to pay, within 30 days from the notice of termination received from the Company, a termination fee which is equivalent to the rent which the Company would have been entitled to receive from the unit if such unit was leased in terms of a lease agreement for the period from the date of termination of the said Availability Agreement until the expiry of the availability period, discounted to net present value using a discount rate of 2%.

The Company is prohibited from selling or otherwise disposing of the developed Affordable Housing Property Sites, or any of the residential units therein, without the written consent of the Government of Malta. However, the Company is entitled to transfer or assign the Availability Agreements, or grant security over said agreements in connection with any financing relating to the development and, or the residential units.

Moreover, the Government of Malta is prohibited from assigning the benefit of the Availability Agreements without the written consent of the Company. In any case, where such benefit is assigned, the Government of Malta will remain responsible for the due performance of its obligations under the agreements, unless otherwise expressly agreed.

Upon the lapse of the Availability Period, the developed Affordable Housing Property Sites, and all residential units therein, shall be vacated and returned to the Company.

6.1.3.3. Affordable Housing Lease Agreements

6.1.3.3.1. Lease of Residential Units

The Company has entered into, and will continue to enter into lease agreements directly with lessees who qualify for affordable housing and who are in possession of the relevant certificate from the Housing Authority, for the purpose of

leasing thereto, the residential units forming part of the developed Affordable Housing Property Sites, in consideration for the payment of rent. The rent is payable monthly in advance, is fixed for the duration of the Availability Period, and is subject to an increase on an annual basis in accordance with the index of inflation as published by the National Statistics Office (NSO) in Malta.

The Government of Malta is also a party to the lease agreements, in its capacity as grantor acting through the Ministry for Social and Affordable Accomodation, and represented thereon by the Housing Authority, for the purpose of paying, directly to the Company on behalf of lessees, a portion of the rent due by the lessees as is equivalent to the subsidy to which the lessees are entitled in accordance with the allocation policy announced by the Ministry for Social Accomodation and the Housing Authority (the “Grant”). The Grant is represented as a fixed sum in the respective lease agreements.

According to the terms of the agreement, the Government of Malta and the lessees are jointly and severally liable for the payment of the Grant to the Company, and the Company has the right to claim the Grant from the Government of Malta and, or the lessee. If, at any point in time, the Grant is less than 70% of the rent payable by the lessee, the Government of Malta is under an obligation to indemnify and hold harmless the Company for any default of the lessee limitedly up to the difference between 70% of the rent and the Grant.

Lessees are also required to pay, directly to the Company, maintenance fees for the maintenance and expenditure of common parts, and a security deposit to the Company as security for the performance of all obligations emanating from the lease agreement. The security deposit will be returned to the lessees upon termination of the agreement, without interest, save for where the leased premises are not found to be in the same condition as they were when the lease commenced, any amounts due by the lessees in connection with the leased premises incurred during the term of the lease remain unpaid, and, or the lessee vacates the leased premises prior to the expiry of the term (save where termination is due to a failure on the part of the Company to observe or perform any of its obligations under the agreement).

The lease agreements contain restrictions with respect to the use of the leased premises, namely, that the leased premises may be used for residential purposes only, and only lessees or lessees’ immediate families are permitted to reside in the leased premises. Lessees are also prohibited from sub-letting the leased premises or from assigning the lease agreement or any part thereof to third parties.

The lease agreements are valid for a term of 10 years, unless otherwise agreed in writing between the Company and the Government of Malta. If the Government of Malta so instructs, the term of the lease agreement may be extended with the written consent of the Company and of the lessee.

The Company has the right to terminate the lease agreements where:

- (a) the lessee or the Government of Malta fail to make a payment when due, and fails to remedy such breach within 30 days;
- (b) if the lessee, for any reason whatsoever no longer qualifies to receive the Grant from the Government of Malta;
- (c) the lessee is in breach of his/her obligations (other than payment obligations) in terms of the agreement and fails to remedy such breach within 30 days from notification thereof by the Company.

Where the lessee fails to vacate the leased premises within 14 days from the date of expiry, or the termination of the agreement, the lessee shall pay a daily penalty to the Company for every day during which the lessee remains in occupation or possession of the premises.

On the other hand, lessees shall have the right to terminate the respective lease agreement where the Company fails to observe or perform any of its obligations under the agreement.

6.1.3.3.2. Lease of Garages

The Company has also entered into, and will continue to enter into lease agreements directly with lessees for the purpose of leasing thereto the garages forming part of the developed Affordable Housing Property Sites, in consideration for the payment of rent. The rent is payable yearly in advance and is subject to an increase of 3% every three years. No part of the rent payable by lessees of the garages is subsidised by the Government of Malta.

The lease agreements are valid for definite periods of time unless terminated earlier and may be extended with the written consent of both the Company and the lessee.

The garages are leased solely and exclusively for the parking of private vehicles including bicycles, or for the storage of any other items except items that are inflammable or contain harmful substances. Moreover, lessees are prohibited from sub-letting the garages without the written consent of the Company, or from allowing any person to make use of or possess the garages.

The garage common parts are exclusively controlled and managed by the Company, and the Company is also solely responsible for the extraordinary repairs to the garages unless caused through the fault or negligence of the lessee or lack of ordinary maintenance by the lessee.

In the event that the lessee vacates the garage prior to the expiry of the fixed term, the rent shall be forfeited by the lessee in favour of the Company. However, in the event that the lessee terminates the agreement due to the Company's failure to observe or perform any of the covenants, conditions or provisions of the agreement undertaken by the Company, the Company is under an obligation to refund the rent in full to the lessee.

The Company has the right to terminate the lease agreement where the lessee: (a) fails to make a payment when due, and fails to remedy such breach within 15 days; and (b) is in breach of his/her obligations under the agreement and fails to remedy such breach within 15 days from notification thereof by the Company.

Where the lessee fails to vacate the garage within 14 days from the date of expiry, or the termination of the agreement, the lessee shall pay a daily penalty to the Company for every day during which the lessee remains in occupation or possession of the garage. Where the lessee fails to vacate and to clear the garage of all items belonging thereto within a reasonable period of time, the Company has the right to clear the garage itself at the sole risk and expense of the lessee.

6.1.3.4. Affordable Housing Property Developments

The Affordable Housing Project involves the construction and rental of predominantly residential units, and car spaces and lock-up garages located across sites in 10 localities around Malta. However, a number of developments also contain commercial units. The project comprises:

- 752 residential apartments (consisting of 198 1-bedroom apartments, 388 2-bedroom apartments, and 166 3-bedroom apartments);
- 698 car spaces and lock-up garages (364 one-car lock-ups, 132 two-car lock-ups, 4 three-car lock-ups, and 9 four-car lock-ups, 182 car spaces and 7 motorcycle spaces); and
- 4 small commercial outlets in certain locations which would allow tenants to set up various commercial ventures and rent the units on a commercial basis.

In 2022, the Company completed the development on the Birkirkara Site with the construction of 73 apartments. In 2023, the Company completed the development of a total of 80 residential units on the sites in Attard, Kirkop, Qrendi, Zebbug and Zurrieq. All units are expected to be developed by 2026.

Originally, 684 apartments, and 627 car spaces and lock-up garages, were estimated to be constructed on the Affordable Housing Property Sites. However, following changes made to the plans of the Luqa Site, the development of the Luqa Site was redesigned to accommodate the construction of an additional 85 apartment units and 79 car spaces and lock-up garages thereon. As a result of the redesign of the development of the Luqa Site, and a decision to discontinue the development on the Zebbug Site A, the total number of units to be developed across all the Affordable Housing Property Sites has now increased to 752 apartments, and 698 car spaces and lock-up garages, respectively.

The monthly rent due by lessees to the Company in consideration for the lease of residential apartments forming part of the Affordable Housing Property Sites will depend on the type of unit being leased and thus, whether the unit is a residential apartment, a car space, a lock-up garage, or a commercial unit.

6.1.3.4.1. Completed property developments

The following property developments have been completed by the Company and were made available for use as from the dates indicated below:

Location	Area Developed according to Development Permit Application	No. of units	Completion Date	Development Permit Number
Two divided plots of land known as 'Ta' Sqaq it-Torri' or 'Ta' Sisle' with frontage on Triq Gorg Borg, Triq Mro. Giuseppe Camilleri, Triq il-Qampiena and Triq Tas-Sisla, in Birkirkara (the " Birkirkara Site ").	2,607 square metres	73 residential apartments and 56 car spaces and lock-up garages	July 2022	PA/03856/17
A plot of land known as 'Ta' Sqaq l-Imdina' Plots thirty-eight (38) and thirty-nine (39) (Block C) in Kirkop, bounded on the left by Triq il-Fieres (the " Kirkop Site C ").	370 square metres	8 residential apartments and 6 car spaces and lock-up garages	January 2023	PA/02796/17
Two contiguous plots of land, known as plot (1) and two (2), from the lands known as tal-Ghattuqa, together bounded on the North-East by Triq il-Qolla, in Zebbug, Malta (the " Zebbug Site B ").	377 square metres	8 residential apartments, and 6 car spaces and lock-up garages	February 2023	PA/04679/17
A plot of land in Triq Salvu Sacco corner with Triq Nerik Xerri, in Kirkop (the " Kirkop Site B "). The site includes a sub-station bounded on the North-East by Triq Salvu Sacco and all other compass points by the remainder of the site, which sub-station is excluded from the Kirkop Site.	552 square metres	18 residential apartments, and 1 commercial unit	May 2023	PA/04380/17
A plot of land known as the 'Remaining Plot Tal-Mirakli', in Triq l-Ghenba corner with Triq il-Kampanella, in Attard (the " Attard Site ").	299 square metres	8 residential apartments, and 3 car spaces and lock-up garages	February 2023	PA/02800/17
A divided portion of land with frontage on Triq Ta' Ciantar and Triq Guzeppi Matthew Callus, in Zurrieq (the " Zurrieq Site "). The Zurrieq Site formed part of the lands known as thirty-one (31), and thirty-seven to forty (37-40) Ta' Ciantar, in Zurrieq.	1,215 square metres	27 residential apartments, and 20 car spaces and lock-up garages	December 2023	PA/03994/17
A plot of land in Triq Guze Cassar, in Qrendi (the " Qrendi Site C ").	405 square metres	11 residential apartments, and 7 car spaces and lock-up garages	December 2023	PA/02263/18

6.1.3.4.2. Property developments under construction

As at the date of this Registration Document, the following property developments are under construction

Location	Area to be Developed according to Development Permit Application	No. of units	Expected Completion Date	Development Permit Number
A plot of land bounded on the North and North-East by Triq il-Wied, and on the South-West by Triq Garcin, in Msida (the “ Msida Site ”).	2,500 square metres	102 residential apartments, 22 car spaces and lock-up garages, and 1 commercial unit	January 2024	PA/02369/17
A plot of land known as Tal-Ahfar, in Triq il-Hawh, corner with Triq il-Lewziet, in Kirkop (the “ Kirkop Site A ”).	780 square metres	19 residential apartments and 21 car spaces and lock-up garages	January 2024	PA/03625/17
A plot of land known as Tal-Andar, in Siggiewi, bounded on the South-West by Triq l-Imdina, on the South-East by Triq it-Tabib Nikol Zammit and on the North-East in part by Triq Dun Manwel Zammit (the “ Siggiewi Site ”).	3,190 square metres	84 residential apartments 121 car spaces and lock-up garages and 1 commercial unit	February 2024	PA/358/19
A plot of land known as ‘Ta’ Sqaq l-Imdina’, Plots numbers six (6) and thirteen (13) (Block F) in Kirkop, bounded on the West and East by Triq San Remig, and Triq il-Fieres, respectively (the “ Kirkop Site D ”).	380 square metres	8 residential apartments, and 8 car spaces and lock-up garages	January 2024	PA/05097/17
A plot of land with frontage on Triq Nazzareno Sammut and Triq San Matthew, in Qrendi (the “ Qrendi Site B ”).	1,030 square metres	26 residential apartments, and 20 car spaces and lock-up garages	February 2024	PA/03105/17
A plot of land in Triq Santa Liena, Triq Rikardu Taylor, Triq l-Irlandizi and Triq San Mark, in Bormla bounded on the South by Triq Santa Liena, on the North by Triq San Mark and on the East by Triq l-Irlandizi (the “ Bormla Site ”). Excluded from the Bormla Site is space beneath the site from the 47th course downwards calculated from the street level at Triq l-Irlandizi and from the 16th course downwards calculated from the lowest road level of the corner between Triq Rikardu Taylor and Triq Santa Liena.	2,975 square metres	69 residential apartments, 100 car spaces, 7 motorcycle space and 1 commercial unit	November 2024	PA/6073/23

A plot of land in Triq Nazzareno Mifsud which originally formed part of the Plots seven (7) to eleven (11) ta' Hallel, in Qrendi bounded on the North-East by Triq Nazzareno Mifsud and on the South-East and East by Triq Sant Anna consisting of a divided portion of land (the "Qrendi Site A").	972 square metres	24 residential apartments, and 14 car spaces and lock-up garages	July 2025	PA/03152/17
A plot of land located in Hal Farrug, limits of Luqa, bounded on the North-East by Triq l-Isturnell Roza, on the South-West by Triq ir-Russett Abjad and on the South-East by Triq il-Vitorja (the "Luqa Site").	6,750 square metres	267 residential units, 287 car spaces and lock-up garages	December 2026	PA/03091/20

6.2. Principal Markets

The Company currently operates exclusively in and from Malta.

6.3. Strategy and objectives

The corporate vision of the Company, which operates as an investment holding company, is primarily the acquisition, development and management of immovable property, the leveraging of revenue streams arising therefrom and the reinvestment of undistributed profits in national and, or strategic real estate projects as well as in commercial property opportunities.

The Company's business profile is such that the existing revenue streams are highly visible and quantifiable, given that they arise from long term contractual agreements which also provide for the periodic revision of the ground rent and rental income arising.

The Company's cash outflows also carry a high degree of visibility. These comprise the cost of collection of the revenue streams and corporate administration costs and taxation. The resulting cash surplus is applied primarily in the servicing of borrowing and the distribution of dividends to shareholders. The residual cash flows after these appropriations are set aside for further re-investment in line with the Company's established investment mandate, as the same is determined from time to time by the investment committee set up by the board of directors.

6.4. Material investments that are in progress or for which firm commitments have been made

The Company has made a total investment (including capitalised borrowings and other costs) in the Affordable Housing Project amounting to €56.2 million up to 30 June 2023. Construction of the majority of the sites is expected to be completed by 2024, while the Luqa Site, which is the largest of the sites, will be completed by 2026. The Company will construct a total of 752 residential apartments, representing an increase of 68 units on the initial plan. This expansion, as well as other factors beyond the control of the Company, such as increased costs driven by supply chain constraints, have resulted in an increase of €63 million in the total capital expenditure budget. This increase is being funded through a combination of new credit facilities currently being negotiated and the proceeds of the Rights Issue.

7. TREND INFORMATION INCLUDING THE COMPANY'S PROJECTIONS

7.1. Analysis of current trends impacting the business of the Company

There has been no material adverse change in the prospects or in the financial or trading position of the Company since the date of publication of its latest published financial statements for the period ended 30 June 2023.

With respect to Affordable Housing Project the Company is dependent upon the Government of Malta fulfilling its obligations under the Affordable Housing Emphyteutical Deed, the Lease Agreements and each of the Transfer Contracts. Additionally, the Company, receives from the Government of Malta considerations for the payment of rent determined in accordance with the Lease Agreements related to the Parliament Building and the Open-Air Theatre. The Company also receives rent payments and other amounts due by each of MIA in respect of the MIA Site and VCP in respect of the VCP Site. Such rental income may be affected by factors such as changes in the general economic climate and risks inherent in the industries in which both MIA and VCP operate.

Below is an overview of the most significant trends that are likely to have a material effect on the prospects of the Company.

The latest macroeconomic forecast¹ for Malta highlighted the robust growth of 6.9% experienced by the Maltese economy in 2022, driven by both domestic demand and the export of services. This expansion was particularly fueled by the recovery in the tourism sector. However, it is anticipated that growth will slow down to 3.9% in 2023 due to the impact of high inflation on household incomes and spending. Looking ahead to 2024, GDP growth is projected to reach 4.1%.

The Government of Malta has implemented substantial measures to stabilize energy prices, which are expected to remain unchanged in 2023 and 2024. Such measures contributed to the general government deficit reaching 5.8% in 2022. As stated in the IMF Country Report², the authorities are firmly committed to maintaining a debt-to-GDP ratio below 60% and reducing the deficit to below 3% of GDP by 2025. This will primarily involve the reduction of energy subsidies as energy prices decrease and prudently managing employee compensation growth. While significant improvements in the structural balance are anticipated, projections indicate that it will remain in a deficit position until 2027, in contrast to the surplus status before the pandemic.

According to the Economic Update issued by the Central Bank of Malta³ in August 2023, the Consolidated Fund of Malta reported a deficit of €155.0 million as of June, marking an increase of €64.4 million compared to the deficit in the same month of the previous year. The rise in the deficit was primarily attributed to increased government expenditure, which more than offset a smaller growth in government revenue. Government revenue saw a 5.9% increase of €23.7 million, mainly due to higher non-tax inflows. Tax revenue, however, remained stagnant as higher indirect tax receipts from licenses were offset by decreased direct tax revenue, driven by lower income tax collections.

Government expenditure experienced a substantial increase of €88.1 million (+17.9%). This growth was observed in both recurrent and capital expenditure. Capital expenditure surged by €40.9 million, largely due to investments in ICT projects and EU-funded initiatives. In addition, by the end of July 2023, Central Government Debt totaled €9.4 billion, €838.4 million or 9.8% higher than the corresponding month in 2022 and maintaining the upward growth trend of public debt in recent years. Recurrent spending saw a €47.2 million increase, primarily attributed to the timing of contributions to government entities, which rose by €24.9 million.

Whereas the COVID-19 pandemic temporarily interrupted the previously consistent trends in local property valuations and rental rates, in 2023 the Maltese housing market continued to thrive following the post-pandemic economic recovery. The Selling House Price Index for the year 2023 now demonstrates levels surpassing those observed prior to the pandemic, while rental rates have fully rebounded from the pandemic-induced decline.

Both underlying sectors in which VCP and MIA operate in were previously impacted by the COVID-19 pandemic. The VCP has yet to reach pre-pandemic passenger arrival levels. In 2022, it welcomed 529,247 passengers, still below the 902,425 passengers in 2019. Notably, the first quarter of 2022 was hindered by stringent travel restrictions imposed by the Government of Malta in January.

The annual accounts of Global Ports Holding plc, the parent company of the VCP, show an 89% increase in revenue generated from VCP of \$12.0 million in the year ended 31st March 2023 from the \$6.3 million generated the year prior, suggesting a continuation of the recovery in 2023 as per expectations.

The MIA witnessed a 20% reduction in passenger traffic compared to 2019, with 5,851,079 passengers by the end of 2022. In similarity to the VCP, the dip in passenger traffic during the first quarter resulted from government-imposed travel restrictions. However, these restrictions were lifted in July 2022, leading to record seat occupancy levels during the summer months. The demand for air travel remained strong throughout the winter months, with December showing the most significant passenger traffic recovery rate since the pandemic's onset. During the month of August 2023, MIA experienced a sustained growth in passenger traffic, marking a 6.7% increase compared to the figures from 2019, resulting in a total of 878,462 passenger movements. It is noteworthy that despite a modest 2.8% increase in seat capacity when compared to the statistics from 2019, the seat load factor reached an all-time high, standing at 91.4%.

¹ European Commission: Economic Forecast for Malta (May 2023)

² International Monetary Fund Country Report No. 23/78 (Feb 2023)

³ Central Bank of Malta: Economic Update (Aug 2023)

7.2. Prospective Financial Information

The prospective financial information of the Company for the five years ending 31 December 2027 is set out below. The prospective financial information has been compiled and prepared on a basis which is both comparable with the Company's historical financial information and consistent with the Company's accounting policies.

Forecast statement of comprehensive income

	Actuals	Estimate	Projections			
	2022	2023	2024	2025	2026	2027
Statement of comprehensive income						
For year ending 31 December						
Amounts in €000						
Revenue	8,300	9,211	9,262	9,550	9,847	10,092
Revenue from service concession arrangements	17,292	14,816	37,665	16,048	5,292	870
Costs related to service concession arrangements	(16,778)	(14,283)	(36,216)	(15,075)	(4,516)	-
Administrative expenses	(623)	(1,203)	(1,632)	(1,731)	(1,745)	(1,900)
Operating profit	8,191	8,541	9,079	8,792	8,878	9,062
Change in fair value of investment property	2,852	18,111	3,946	4,097	3,901	4,055
Finance income	1,292	3,131	4,875	6,367	6,971	7,095
Finance costs	(1,676)	(1,725)	(2,262)	(2,720)	(3,412)	(3,205)
Profit before tax	10,659	28,058	15,638	16,536	16,338	17,007
Tax expense	(1,882)	(3,396)	(2,620)	(2,846)	(3,037)	(3,331)
Profit for the year - total comprehensive income	8,777	24,662	13,018	13,690	13,301	13,676

Forecast statement of financial position

	Actuals	Estimate	Projections			
	2022	2023	2024	2025	2026	2027
Statement of financial position						
As at 31 December						
Amounts in €000						
ASSETS						
Non-current assets						
Property, plant and equipment	46	46	49	52	54	56
Investment property	202,996	221,109	225,055	229,151	233,052	237,108
Contract asset	49,514	66,322	104,850	121,813	127,500	126,713
	252,556	287,477	329,954	351,016	360,606	363,877
Current assets						
Trade and other receivables	2,308	775	499	499	499	499
Cash and cash equivalents	17,364	4,737	4,794	4,577	3,902	3,529
	19,672	5,512	5,293	5,076	4,401	4,028
Total assets	272,228	292,989	335,247	356,092	365,007	367,905

	Actuals	Estimate	Projections			
Statement of financial position						
As at 31 December						
Amounts in €000	2022	2023	2024	2025	2026	2027
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital	73,295	73,295	105,758	105,758	105,758	105,758
Retained earnings	12,335	16,325	19,935	23,985	27,773	31,576
Non-distributable reserve - fair value movements	55,765	72,475	76,105	79,874	83,463	87,194
Non-distributable reserve - other	4,345	4,946	5,656	6,458	7,312	8,388
Total equity	145,740	167,041	207,454	216,075	224,306	232,916
Non-current liabilities						
Borrowings	89,575	85,791	88,460	101,080	102,473	96,180
Lease liability	3,333	3,298	3,321	3,345	3,365	3,385
Capital creditors	2,423	2,330	1,806	436	-	-
Provision on restoration	5,550	6,091	6,539	7,100	7,638	8,189
Deferred tax liabilities	15,806	17,207	17,522	17,850	18,162	18,486
	116,687	114,717	117,648	129,811	131,638	126,240
Current liabilities						
Borrowings	2,317	3,796	4,935	5,380	5,606	6,293
Lease liability	58	122	122	122	128	128
Capital creditors	5,690	4,985	2,657	2,376	1,001	-
Trade and other payables	1,357	1,629	1,732	1,629	1,629	1,629
Current tax liabilities	379	699	699	699	699	699
	9,801	11,231	10,145	10,206	9,063	8,749
Total liabilities	126,488	125,948	127,793	140,017	140,701	134,989
Total equity and liabilities	272,228	292,989	335,247	356,092	365,007	367,905

Detailed prospective financial information and the assumptions on which these projections are based are included under Annex III of the Registration Document.

8. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

8.1. The Board of Directors of the Company

As at the date of this Registration Document, the Board of Directors of the Company is composed of the following 7 directors:

Name and Identification Details	Designation	Date of appointment
Marlene Mizzi Maltese identity card numbered: 37955M	Chairperson and Independent Non- Executive Director	1 January 2021
Miguel Borg Maltese identity card numbered: 215781M	Independent Non- Executive Director	22 June 2022
Tania Brown Maltese identity card numbered: 505875M	Independent Non- Executive Director	12 May 2021

Victor Carachi Maltese identity card numbered: 522459M	Independent Non-Executive Director	12 May 2021
Desiree Cassar Maltese identity card numbered: 175178M	Independent Non-Executive Director	30 March 2023
David Mallia Maltese identity card numbered: 405566M	Independent Non-Executive Director	27 April 2023
Robert Suban Maltese identity card numbered: 215871M	Independent Non-Executive Director	9 April 2014

Dr Donald Vella, holder of Maltese identity card numbered 579782M of Amber Court, Flat 5, Triq it-Tabib Gregorio Mifsud, Qrendi, Malta, is the company secretary of the Company. The business address of the company secretary is Level 3, Valletta Buildings, South Street, Valletta, VLT 1103.

The business address of the Directors is that of the Company.

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.

8.2. Curriculum vitae of Directors of the Company

Marlene Mizzi is the Chairperson of the Board of Directors of the Company. Ms Mizzi graduated from the University of Malta with an honors bachelor's degree in economics and subsequently graduated from the Maastricht School of Management, in the Netherlands, with a Master of Philosophy degree, specializing in corporate governance.

Over the years Ms Mizzi gained vast experience working in the manufacturing, retail, banking, shipping and insurance sectors, both locally and abroad. She worked in the field of banking for Sparbanken i Aboin Finland, and for UBS in Switzerland. She served as a member of the board of directors of Bank of Valletta p.l.c. (C 2833); in the manufacturing industry as production manager for Bogner Sports Limited (C 4330) and Bogner Sports in Munich; in the retail industry for Mothercare and Early Learning Centre in London; in the insurance sector as Chairperson of the Millennium Insurance Agency; and in shipping sector as Chairperson of Sea Malta Company Limited (C 2764).

Ms Mizzi is Chairperson of AMCA Limited (C 7841), a company operating a number of retail stores, and has occupied a number of other positions, including, council member and Honorary Secretary of the Malta Chamber of Commerce, member of the Faculty of Economics, Management and Accounts at the University of Malta, Life Honorary member of the Malta Institute of Management, founding member of the national think tank, the Today Public Policy Institute, and a member of the board of directors of Malta Air Travel Ltd (C 84358).

Marlene Mizzi was the first Maltese woman elected as a Member of the European Parliament, where she served a 6-year mandate, and is the Ambassador for Malta to the Kingdom of Sweden and the Kingdom of Norway.

Miguel Borg advises clients operating in different economic sectors on risk management, sustainability, ESG and financial services regulation. Mr Borg acts as non-executive director in various companies and lectures at the University of Malta.

Mr Borg served as the Chief Risk Officer and an executive director of Bank of Valletta p.l.c. (C 2833). He also served as a director in several other companies including BOV Fund Services Limited (C 39623), BOV Asset Management Limited (C 18603) and Media Centre Limited (C 42258). He also acted as Chairman of the Central Cooperative Fund. Prior to joining Bank of Valletta p.l.c., Mr Borg worked at the Central Bank of Malta.

Mr Borg holds a masters degree in economics from the University of Malta and is a member of a number of international risk management associations.

Tania Brown has held various senior positions in the private sector, primarily in the telecommunications and information technology sectors with Datastream, GO p.l.c. and FGL Information Technologies Ltd, before moving to the public sector and leading the Ministry for Finance's secretariat, followed by advisory positions with the Ministry for Tourism and the Office of the Prime Minister.

Ms Brown has been engaged in senior roles at Identity Malta, and currently holds the position of Chief Policy and Strategy Officer. She has served as a director of the national airline, Air Malta p.l.c. (C 2685) and currently serves as a director of Automated Revenue Management Systems Ltd (C 46054).

Ms Brown has read economics and management at the London School of Economics and holds a Master of Science in Business and Management from the University of Essex. Ms Brown is also certified in ITIL.

Victor Carachi is the president of the General Workers' Union (GWU), a role which he has occupied since March 2008, following a long career in the banking sector that began with Mid-Med Bank (now HSBC Bank (Malta) p.l.c. (C 3177) in 1978. During his banking career, Mr Carachi held various managerial posts in the ICT division and was later appointed head of the operational risk department within HSBC Bank (Malta) p.l.c. (C 3177). Mr Carachi holds various directorship roles with a number of local private companies and government entities including Malta Enterprise and the Occupational Health & Safety Authority.

Mr Carachi is a chartered IT professional having obtained his qualification from the British Computer Society. Mr Carachi also holds a master's degree in business administration (MBA) from the UK based Henley Business College and Brunel University.

Dr Desiree Cassar is a corporate and tax lawyer at DC-Advocates. Dr Cassar's experience in advising local and internal clients across a variety of key industry sectors, predominantly in financial services, spans more than twenty years. She also provides legal advice to Maltese listed and regulated entities of which she also acts as company secretary.

Dr Cassar graduated as a lawyer from the University of Malta in 2003 and was admitted to the Maltese Bar, Superior Courts of Malta in 2004. Dr Cassar then moved on to work as a tax and corporate lawyer at PricewaterhouseCoopers in Malta, where she was also assigned to work in the private wealth department of PricewaterhouseCoopers in the Netherlands. Dr Cassar has delivered presentations at a number of seminars and conferences in Malta and overseas. Dr Cassar was appointed member of the Board of the Malta Further and Higher Education Authority and secretary of the Malta Financial Services Advisory Council. Dr Cassar is a member of the Chamber of Advocates and the Institute of Financial Services Practitioners.

David Mallia is a certified public accountant and auditor by profession and has gained his experience working in Malta and other jurisdictions, namely, the United Kingdom and Ireland. Mr Mallia holds a master of business administration from the University of Leicester, specialising in finance, and FCCA (UK) and FIA (Malta) qualifications.

Mr Mallia began his work experience with KPMG and spent over 30 years in senior finance positions primarily in the financial services sector. Mr Mallia also has significant experience acting as a non-executive director of various companies and has also chaired and been a member of risk committees. His experience encompasses a wide financial spectrum namely financial technology, auditing both on a local and international level, corporate governance, risk management, financial modelling, and big data analytics.

Dr Robert Suban is the head of the Department of Banking and Finance of the University of Malta. He holds a bachelor in business administration, a masters degree in European economic Studies, and a Ph.D. in accounting & finance from the Alliance Manchester Business School. Dr Suban has also completed the ACCA qualification.

Dr Suban regularly attends and presents his research at various internationally peer-reviewed academic conferences in the area of finance. He has considerable experience as a practitioner having worked at the Central Bank of Malta, Jobsplus and a leading private travel organisation. Dr Suban also held the position as a non-executive director of Mapfre Middlesea p.l.c. (C 5553) and is currently a non-executive director and Chair of the Risk Committee of Bank of Valletta p.l.c. (C 2833).

8.3. Management and senior management of the Company

The day-to-day management of the Company is vested in the Chief Executive Officer who reports to the Board of Directors. The CEO is not a member of the Board however, she attends and participates at meetings of the Board.

As at the date of this Registration Document, the senior management of the Company is comprised of the following individuals:

Name	Designation
Jennifer Falzon Maltese identity card numbered: 206784M	Chief Executive Officer
Michele Abela Maltese identity card numbered: 117796M	Chief Financial Officer

Jennifer Falzon is a certified accountant by profession and holds a Bachelor of Arts in Accountancy and Management from the University of Malta. Ms Falzon has also completed the ACCA qualification.

Ms Falzon began her work experience with GO plc (C 22334) where she worked as an accountant for over five years before joining the Company wherein she has occupied the roles of accounts manager, and Chief Financial Officer. Ms Falzon also serves as a member on the Board of the Malta Tourism Authority.

Michele Abela is a certified public accountant by profession and holds a Masters in Accountancy, and a Bachelor of Commerce in Accountancy and Economics from the University of Malta. Mr Abela is an experienced accountant with a strong background in accounting, corporate finance, internal audit and EU funding.

8.4. Potential Conflicts of Interest

Save as stated below, the Directors and the members of management referred to in this section 8 are not aware of any potential conflicts of interest which could relate to their roles within the Company:

As at the date of this Registration Document, in addition to being a Director of the Company, Dr Robert Suban is also a non-executive director and Chair of the Risk Committee of Bank of Valletta p.l.c., and as such is susceptible to conflicts of interest between the potentially diverging interests of the Company and that of Bank of Valletta p.l.c., particularly insofar as facilities for the financing of existing or new projects, and the appointment of Bank of Valletta p.l.c. as Manager & Registrar of the Rights Issue, are concerned.

The Audit Committee of the Company has the task of vetting related party transactions, and approving or refusing material related party transactions (subject to the final approval or refusal of the Board of Directors). Moreover, where the Audit Committee deems the proposed transaction to be material and approves such a transaction, such material related party transaction shall be subject to the approval of the Board of Directors. Where the related party transactions involves a director, the respective director shall not take part in the approval of the vote.

Furthermore, in terms of the Memorandum and Articles of Association of the Company, a 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 Company shall declare the nature of his interests at a meeting of the Directors pursuant to the provisions of the Act. Moreover, a Director is not entitled to vote on any contract or arrangement or any other proposal in which he has a material interest. This ensures that any Director sitting on the Board of Directors of the Company is precluded from using his vote in any decisions. In this regard it is relevant to note, with respect to the potential conflicts of interest disclosed above, that the above provisions were duly followed in Dr Suban's regard in respect of decisions by the Board of Directors relating to the obtaining of facilities from Bank of Valletta and its appointment as Manager & Registrar of the Rights Issue.

8.5. Declaration

None of the Directors, members of the Board committees or members of management referred to in section 8 of this Registration Document have, in the previous five years:

- i. been the subject of any convictions in relation to fraudulent offences;
- ii. been associated with bankruptcies, receiverships or liquidations 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;
- 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 the Company.

9. BOARD PRACTICES

Board Committees

The Directors have constituted the following board committees, the terms of reference of which shall be determined by the Board from time to time with the purpose of fulfilling the below mentioned purposes:

9.1.1. Audit Committee

The Audit Committee's primary objective is to assist the Board in dealing with issues of risk, control and governance, and in reviewing the Company's reporting processes, financial policies and internal control structure. The Audit Committee also oversees the conduct of the external audit and facilitates communication between the Company's Board, management and external auditors.

The Board has set formal terms of establishment and the terms of reference of the Audit Committee that establish its composition, role and function, the parameters of its remit as well as the basis for the processes that it is required to comply with. The Audit Committee is a sub-committee of the Board and is directly responsible and accountable to the Board.

The Audit Committee carries out the following duties:

- recommend the statutory auditor/s or the audit firm/s to be appointed by the Company and set out the procedure for the selection of such statutory auditor/s or audit firm/s;
- discuss with the auditor prior to commencement of the audit, the nature and scope of the audit and the annual audit plan, the auditor's letter of engagement and the estimated fee;
- review the annual financial statements before submission to the Board of Directors;
- review the findings of the audit with the auditor;
- meet with the auditor at least once per year, without the presence of the management of the Company, to discuss with their remit and any issues arising from the audit and any other matters the auditor may wish to discuss in the absence of the accounts manager;
- review the auditor's management letter and the management's response;
- review the effectiveness of the audit and the performance of the auditors;
- review and monitor the independence of the approved auditor and in particular the provisions of additional services to the Company by the said auditor;
- review with the CEO of the Company the operations of the Company's internal controls and risk management systems;
- informing the Board of Directors of the outcome of statutory audits and explaining how the statutory audits contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process;
- monitoring: (a) the financial reporting process and submitting recommendations or proposals to ensure its integrity; (b) the effectiveness of the Company's internal quality control and risk management systems and, where applicable, its internal audit, regarding the financial reporting of the Company, without breaching its independence; and (c) the audit of the annual and consolidated financial statements, in particular, its performance, taking into account findings and conclusions, if any, by the MFSA.

In addition, the Audit Committee also has the responsibility of vetting any related party transactions, and approving or refusing material related party transactions, albeit subject to the final approval or refusal of the Board of Directors.

The Audit Committee shall be entirely composed of non-executive Directors, and shall comprise at least three members, the majority of whom must be independent from the Company. The Audit Committee is currently composed of Dr Robert Suban (Chairperson) (independent non-executive Director), Mr Victor Carachi (independent non-executive Director), Ms Tania Brown (independent non-executive Director) and Mr David Mallia (independent non-executive Director). Dr Robert Suban and Mr David Mallia are competent in accounting and, or auditing in terms of the Capital Markets Rules.

9.1.2. Remuneration and Nomination Committee

In view of its size, the Company has taken the view that whilst it considers the role and function of each of the remuneration and the nomination committee as important, it would be more efficient for these committees to be merged into one committee (the "**RemNom Committee**") that would serve a dual role.

The primary purpose of the RemNom Committee, in its function as a remuneration committee, is to:

- determine and agree with the Board the framework for the remuneration of the Company's Chairman, the Chief Executive Officer, and such other members of the executive management of the Company;
- monitor the level and structure of remuneration of the non-executive directors on the basis of adequate information provided by the executive or managing directors;
- determine the total individual remuneration package of each executive manager needed to attract, retain and motivate Directors, whether executive or not, as well as senior executive with the right qualities and skills for the proper management of the Company, including, where appropriate, bonuses and incentive payments;
- recommend the policy for and scope of pension arrangements, service agreements for the executive management team, termination payments and compensation commitments;
- recommend the policy for early retirement schemes, if any, available for the executive management team.

In its function as a nominations committee, the RemNom Committee's task is to:

- identify and nominate for Board approval, candidates for appointment as members of the Board and board committees, including the respective Chairmen of the board committees;
- deposit a list of the nominated candidates with the Company at least 14 days before the annual general meeting;
- review candidates for and make appointments to fill senior management positions, as required;
- in identifying suitable candidates, ensure the process of advertising, recruitment and selection is fair, open and orderly, consider candidates from a wide range of backgrounds and consider candidates on merit against objective, competency-based criteria;

- give full consideration to and regularly review succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed for the future; and
- regularly review the structure, size and composition (including the skills, knowledge and experience) and performance of the Board and its committees, and make recommendations to the Board/shareholders with regard to any changes.

The RemNom Committee shall be composed of two persons as appointed by the Board of Directors from time to time, from amongst the non-executive Directors that have no financial interest other than as a shareholder of the Company. The RemNom Committee is currently composed of Ms Marlene Mizzi (Chairperson) (independent non-executive Director), Ms Tania Brown (independent non-executive Director) and Mr Victor Carachi (independent non-executive Director).

9.1.3. Investments Committee

The Investment Committee is responsible for:

- determining: (i) what investments the Company is to undertake from time to time; (ii) the prudent strategic investment policies within the parameters of which the determination in paragraph (i) hereof is to be made, giving due consideration to the Company's funding requirements as these may vary from time to time; and (iii) the existence or otherwise of a related party;
- considering proposed ethical positions with respect to appropriate projects and investments;
- overseeing the management of the Company's investments in accordance with such policies; and
- reviewing, where necessary, the Company's investment policies.

In exercising its functions, the Investment Committee is required to ensure that any investment proposed to the Board of Directors does not materially and negatively disrupt the dividend policy adopted by the Board of Directors of the Company from time to time. Furthermore, the Investment Committee also has the responsibility of ensuring that transactions with related parties, if any, are entered into at arm's length and on a normal, commercial basis.

The Board of Directors is obliged to provide the Investment Committee, in advance of each meeting thereof, the following information:

- detailed reports on the Company's liquidity level, financing, shareholdings, planned investments and disinvestments and most significant corporate transactions; and
- updates on the forecasted and actual accounting data, the auditor's reports and the audit committee's recommendations.

The Investment Committee shall be composed of any two of the independent non-executive Directors of the Company and, up to, a further three persons that the Board of Directors may select from time to time, who shall be selected from amongst the Directors. The Investment Committee is currently composed of Mr Miguel Borg (Chairperson) (independent and non-executive Director), Dr Robert Suban (independent and non-executive Director) and Ms Desiree Cassar (independent and non-executive Director).

9.2. Compliance with Corporate Governance

In accordance with the terms of the Capital Markets Rules, the Company should endeavour to adopt the Code of Principles of Good Corporate Governance contained in Appendix 5.1 to Chapter 5 of the Capital Markets Rules (the "Code"). The Company 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 Company. The Company supports the Code and is confident that the application thereof shall result in positive effects accruing to the Company.

On an annual basis in its annual report, the Company reports on the extent of its adoption of the principles of the Code for the financial period being reported on, 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 Prospectus, the Board considers the Company to be in compliance with the Code save for the following exceptions:

Principle 3 (Composition of the Board)

This code provision recommends that the Board should be composed of executive and non-executive Directors, including independent non-executive directors. Currently, the Board is composed entirely of non-executive Directors. It is considered that the current composition of the Board provides for sufficiently balanced skills and experience to enable it to discharge its duties and responsibilities effectively. Moreover, executive management is invited to attend most of the board meetings and regularly reports to the Board.

Principle 7 (Evaluation of the Board's performance) – Code Provision 7.1

Code provision 7.1 recommends that the Board should appoint a committee chaired by a non-executive Director in order to carry out a performance evaluation of its role. In view of the size and nature of the Company, the Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role. The Board's performance is evaluated on an ongoing basis by, and is subject to constant scrutiny of the Board itself, the Company's shareholders, the market and the rules by which the Company is regulated as a listed company.

Principle 9 (Relationships with shareholders and with the market) – Code Provision 9.3

Currently, there is no established mechanism disclosed in the Company's Memorandum and Articles of Association, as recommended in Code Provision 9.3, to trigger arbitration in the case of conflict between the minority shareholders and the controlling shareholders.

The Board believes, taking into account the current shareholder profile, the measures currently available for shareholders, such as the right to ask questions, and the continuous dialogue with shareholders, provide the necessary safeguards for the protection of the shareholders' interests.

10. MAJOR SHAREHOLDERS

To the best of the Company'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 Company.

As at the date of this Registration Document, only the Government of Malta holds more than 5% of the issued share capital of the Company having voting rights.

The ordinary shares held by the Government of Malta form part of the same class of ordinary shares issued by the Company. 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 Company.

In terms of the Memorandum of Association of the Company, the Government of Malta, whether directly or indirectly, through an entity or body corporate wholly owned and controlled thereby, is obliged to hold at least 70% of the issued share capital of the Company. Any transfer of shares by the Government of Malta, or any issuance of shares by the Company, which has the effect of reducing the holding or otherwise diluting the holding of the Government of Malta below the 70% threshold is null and void unless such transfer or issuance is made pursuant to the prior approval of the House of Representatives and evidence of such approval is submitted to the Company.

11. RELATED PARTY TRANSACTIONS

Related parties are defined as those that have an ability to control or exercise significant influence over the other party in making financial and operational decisions. In the ordinary course of its operations, the Company carries out business with the Government of Malta, government departments, public sector corporations and other entities owned or controlled by the Government of Malta. The Government of Malta is the ultimate controlling party and holds the majority of the issued share capital of the Company.

The following entities are deemed to be related parties of the Company due to the fact that they are all owned and managed by the Government of Malta:

- Malta Investment Management Company Limited (C 9588);
- Projects Plus Ltd (C 66855);
- Housing Authority;
- Social Projects Management (S.P.M.) Limited (C 73907)⁴.

⁴ Social Projects Management (S.P.M.) Limited (C 73907) is in the process of merging with Housing Maintenance Embellishment Company Limited (C 78880).

The transactions entered into between the Company and any related party during the three years ended 31 December 2020, 2021 and 2022:

	2020 €	2021 €	2022 €
Government of Malta			
Ground-rent payable to the Government of Malta in accordance with the City Gate Emphyteutical Deed	(110,250)	(115,763)	(115,763)
Lease income payable to the Company from the Government of Malta in relation to the lease of the Parliament Building	4,200,578	4,617,286	4,617,286
Lease income payable to the Company from the Government of Malta in relation to the lease of the Open-Air Theatre	1,662,499	1,648,868	1,648,868
Malta Investment Management Company Limited			
Office lease to Malta Investment Management Company Limited	(7,500)	(7,500)	-
Project Plus Limited			
Professional service fees to Project Plus Limited	(277,791)	(202,439)	(214,795)
Housing Authority			
Ground-rent payable to the Government of Malta in accordance with the Affordable Housing Emphyteutical Deed	(139,603)	(146,583)	(146,583)
Grant payable to the Company in relation to the lease of the leased affordable housing units	-	-	262,016
Social Projects Management Limited			
Project management service costs to Social Projects Management Limited	(1,099,869)	(110,545)	(313,392)

Other than the aforesaid, the Directors are not aware of any related party transactions having been entered into by the Company during the financial period under review up until the date of the Registration Document.

12. FINANCIAL INFORMATION

The table below provides a cross-reference list to key sections of the Company's financial statements for the financial years ended 31 December 2020, 2021, 2022, and the interim financial statements for the six-month period ended 30 June 2023:

	31 December 2020	31 December 2021	31 December 2022	Six months ended 30 June 2023
Independent auditor's report	16-26	48	49	n/a
Report on review of interim financial information	n/a	n/a	n/a	4
Statement of financial position	27-28	16-17	16	5-6
Statement of comprehensive income	29	18	17	7
Statement of changes in equity	30	19	18	8
Statement of cash flows	31	20	19	9
Notes to the financial statements	32-58	21-47	20-48	10-30

12.1. Historical Financial Information

Historical Period

The financial statements for the financial years ended 31 December 2020, 2021 and 2022 and the audit reports thereon are set out in the audited financial statements of the Company for the respective years, all of which are incorporated by reference in this Registration Document and may be accessed at the following hyperlink: <https://malitainvestments.com/investor-category/financial-statements/>.

Set out below are condensed financial statements for such years relating to the Company.

Malita Investments plc – Statement of Comprehensive Income

	2020 (audited) €000s	2021 (audited) €000s	2022 (audited) €000s
Revenue	8,505	8,232	8,300
Revenue from service session agreements	8,486	12,104	17,292
Costs related to service session agreements	(8,239)	(11,752)	(16,778)
Administrative expenses	(628)	(476)	(623)
Operating profit	8,124	8,108	8,191
Change in fair value of investment property	4,603	(27,843)	2,852
Finance income	422	691	1,292
Finance costs	(1,651)	(1,576)	(1,676)
Profit / (Loss) before tax	11,498	(20,620)	10,659
Tax (expense) / credit	(1,957)	597	(1,882)
Profit / (Loss) for the year	9,541	(20,023)	8,777

Malita Investments plc – Balance Sheet

	31 December 2020 (audited) €000s	31 December 2021 (audited) €000s	31 December 2022 (audited) €000s
Property, plant and equipment	20	22	46
Investment property	227,988	200,146	202,998
Contract asset	18,869	31,811	49,514
Non-current assets	246,877	231,979	252,558
Trade and other receivables	1,407	450	2,308
Cash and cash equivalents	202	10,963	17,364
Current assets	1,609	11,413	19,672
Total assets	248,486	243,392	272,230
Share capital	73,295	73,295	73,295
Retained earnings	8,990	10,404	12,335
Non-distributable reserve - fair value movements	78,801	53,145	55,765
Non-distributable reserve - other	3,421	3,880	4,345
Total equity	164,507	140,724	145,740
Borrowings	36,051	71,291	89,577
Lease liability	3,279	3,306	3,333
Capital creditors	-	-	2,423
Provision on restoration	5,102	5,321	5,550
Deferred tax liabilities	17,761	15,574	15,806
Non-current liabilities	62,193	95,492	116,689
Borrowings	13,096	2,164	2,316
Lease liability	113	58	58
Capital creditors	3,000	2,458	5,690
Trade and other payables	4,200	2,092	1,357
Current tax liabilities	1,377	404	380
Current liabilities	21,786	7,176	9,801
Total equity and liabilities	248,486	243,392	272,230

Malita Investments plc – Statement of Cash Flows

	31 December 2020 (audited) €000s	31 December 2021 (audited) €000s	31 December 2022 (audited) €000s
Cash flows from operating activities			
Cash generated from operations	6,223	8,571	6,170
Interest paid and similar charges	(34)	(16)	(121)
Income taxes paid	(608)	(2,562)	(1,675)
Payments on lease liability	(57)	(171)	(116)
Net cash generated from operating activities	5,524	5,822	4,258
Cash flows from investing activities			
Purchase of property, plant and equipment	(9)	(13)	(38)
Payments to acquire contract asset	(6,761)	(12,498)	(8,800)
Proceeds from affordable housing rentals	-	-	207
Net cash used in investing activities	(6,770)	(12,511)	(8,631)
Cash flows from financing activities			
Repayments of borrowings	(2,030)	(15,592)	(2,163)
Interest paid on borrowings	(1,442)	(1,225)	(2,598)
Dividends paid to equity holders	(798)	(5,633)	(5,065)
Proceeds from borrowings	5,000	39,900	20,600
Net cash from financing activities	730	17,450	10,774
Net movement in cash and cash equivalents	(516)	10,761	6,401
Cash and cash equivalents at beginning of year	718	202	10,963
Cash and cash equivalents at end of year	202	10,963	17,364

The revenue of the Company comprises the ground rent receivable in respect of the temporary emphyteusis granted of the MIA Site and the VCP Site; and the income receivable in relation to the leases of the Parliament Building and the Open-Air Theatre. In terms of the applicable accounting standards, the income relating to the Affordable Housing Project is disclosed in the Statement of Comprehensive Income within revenues from and costs related to service concession agreements, and finance income. Refer to note 8 in the statutory financial statements for a more detailed explanation of the basis of accounting for the income and costs relating to the Affordable Housing Project.

In view of the stable nature of its operations, the Company reported relatively consistent operating profit of around €8.1million per annum in the three years up to 31 December 2022. The Company reported fair value movements in relation to its investment property of €4.6million (increase) in the year ended 31 December 2020; €27.8million (decrease) in the year ended 31 December 2021; and €2.9million (increase) in the year ended 31 December 2022. The significant decrease in the fair value of investment property in the year ended 31 December 2021 is primarily attributable to the increase in market interest rates during this year, which decreased marginally in the subsequent year.

The Company's total assets as at 31 December 2022 stood at €272.2million (31 December 2021: €243.4million) and comprised mainly of the investment properties held by the Company. The movement in total assets is mainly due to the increase in the contract asset on account of the development works carried out in relation to the Affordable Housing Project and the movement in the fair value of the Company's investment property. Refer to section 6 of the notes in the statutory financial statements for further information on the valuation techniques underpinning the valuation of the Company's investment property.

Trade and other receivables as at 31 December 2022 mainly represented a term deposit of €2.0million (31 December 2021: nil).

The Company's total equity decreased from €164.5million as at 31 December 2020 to €145.7million as at 31 December 2022, largely due to the loss after tax of €20.0million in 2021, which as explained above is due to the negative movement in the fair value of the Company's investment property during this year. The Company declared and approved net dividends amounting to €3.4million in the year ended 31 December 2020 and €3.8million per annum in the years ended 31 December 2021 and 2022.

Total liabilities of €126.5million as at 31 December 2022 mainly comprised bank borrowings, deferred tax liabilities, the lease liability, capital creditors, and the provision for restoration costs in relation to the Parliament Building and the Open-Air Theatre. The Company's bank borrowings include the facilities raised in order to finance the construction of the Parliament Building, the Open-Air Theatre and the Affordable Housing Project.

The Company generated cash from operations amounting to €6.2million in 2020, €8.6million in 2021 and €6.2million in 2022. Cash generated from operations comprise the Company's operating profit, which in the three years ended 31 December 2022 was stable at €8.1million per annum, adjusted for working capital movements and non-cash items during the respective year. Investing cash flows comprise primarily the capital expenditure on the ongoing development of the Affordable Housing Project, which resulted in cash outflows of €6.8million in 2020, €12.5million in 2021 and €8.8million in 2022. This investment was primarily financed by the drawdown of credit facilities amounting to €5.0million in 2020, €39.9million in 2021 (partly representing the drawdown of a temporary credit facility which was raised by the Company and repaid in the same year) and €20.6million in 2022. During this period, the Company repaid borrowings of €2.0million in 2020, €15.6million in 2021 and €2.2million in 2022. Furthermore, the Company paid ordinary dividends amounting to €5.6million in 2021 and €5.1million in 2022. As at 31 December 2022, the Company reported cash and cash equivalents of €17.4million, an increase of €6.4million on the balance as at 31 December 2021.

Interim Period

The interim financial statements for the six month period ended 30 June 2023 (and the comparative information for the six month period ended 30 June 2022) are set out in the interim unaudited financial statements of the Company which are incorporated by reference in this Registration Document and may be accessed at the following hyperlink: <https://malitainvestments.com/investor-category/financial-statements/>. The unaudited condensed interim financial statements have been reviewed by the statutory auditors.

Condensed extracts from the unaudited interim financial results of the Company for the six months ended 30 June 2023, including comparatives applicable, are set out below:

Malita Investments plc – Statement of Comprehensive Income

	30 June 2022 (6 months) (unaudited) €000s	30 June 2023 (6 months) (unaudited) €000s
Revenue	4,115	4,469
Revenue from service concession agreements	3,110	5,868
Costs related to service concession agreements	(3,020)	(5,654)
Administrative expenses	(269)	(544)
Operating profit	3,936	4,139
Change in fair value of investment property	(32,527)	7,298
Finance income	422	1,348
Finance costs	(762)	(853)
(Loss) / Profit before tax	(28,931)	11,932
Tax credit / (expense)	1,739	(1,487)
(Loss) / Profit for the period	(27,192)	10,445

Malita Investments plc – Statement of Financial Position

	31 December 2022 (audited) €000s	30 June 2023 (unaudited) €000s
Property, plant and equipment	46	55
Investment property	202,998	210,296
Contract asset	49,514	56,214
Non-current assets	252,558	266,565
Trade and other receivables	2,308	7,223
Cash and cash equivalents	17,364	10,966
Current assets	19,672	18,189
Total assets	272,230	284,754
Share capital	73,295	73,295
Retained earnings	12,335	13,657
Non-distributable reserve - fair value movements	55,766	62,526
Non-distributable reserve - other	4,345	4,609
Total equity	145,741	154,087
Borrowings	89,577	88,195
Lease liability	3,333	3,346
Capital creditors	2,423	367
Provision for liabilities and charges	-	150
Provision on restoration	5,550	5,667
Deferred tax liabilities	15,806	16,343
Non-current liabilities	116,689	114,068
Borrowings	2,316	2,593
Lease liability	58	119
Capital creditors	5,690	7,709
Trade and other payables	1,357	5,420
Current tax liabilities	379	758
Current liabilities	9,800	16,599
Total equity and liabilities	272,230	284,754

Malita Investments plc – Statement of Cash Flows

	30 June 2022 (6 months) (unaudited) €000s	30 June 2023 (6 months) (unaudited) €000s
Cash flows from operating activities		
Cash generated from operations	3,041	3,266
Proceeds from affordable housing rentals	-	464
Interest paid and similar charges	(7)	(1)
Income taxes paid	(549)	(570)
Net cash generated from operating activities	2,485	3,159
Cash flows from investing activities		
Purchase of property, plant and equipment	(17)	(19)
Payments to acquire contract asset	(4,071)	(4,704)
Net cash used in investing activities	(4,088)	(4,723)
Cash flows from financing activities		
Repayments of borrowings	(1,072)	(1,105)
Interest paid on borrowings	(1,203)	(1,689)
Dividends paid to equity holders	(1,740)	(2,089)
Interest received	-	49
Proceeds from borrowings	13,300	-
Net cash from financing activities	9,285	(4,834)
Net movement in cash and cash equivalents	7,682	(6,398)
Cash and cash equivalents at beginning of period	10,963	17,364
Cash and cash equivalents at end of period	18,645	10,966

In the six months up to 30 June 2023, the Company's operating profit increased by 5% to reach €4.1million. This increase is mainly attributable to the inflationary increases in ground rents and lease income receivable by the Company. In this period, the fair value of investment property increased by €7.3million compared to the significant decrease of €32.5million the previous year. The fluctuations in the fair value of investment property primarily stem from changes in market interest rates, which experienced a slight decline in the six months leading up to 30 June 2023, as opposed to the relatively more significant increase observed in the preceding period.

The Company's total assets as at 30 June 2023 stood at €284.8million compared to €272.2million as at 31 December 2022. This increase is mainly attributable to the increase in contract asset due to further progress of the Affordable Housing Project's development works and the increase in the fair value of investment property, net of a decrease in cash and cash equivalents.

The Company's current liabilities as at 30 June 2023 were €6.8million higher compared to 31 December 2022, mainly due to the increase in trade and other payables and the amounts owed to capital creditors in relation to the development works being carried out in relation to the Affordable Housing Project.

The total equity position of the Company as at 30 June 2023 amounted to €154.1million, with the movements since 31 December 2022 attributable to the profit for the period, net of the dividends paid in the six months 30 June 2023.

The Company generated cash from operations amounting to €3.3million during the six months period ending 30 June 2023. During this period, the Company invested an additional €4.7million in the ongoing development of the Affordable

Housing Project, financed by credit facilities amounting to €13.3million, which were drawn down in the prior financial year. As at 30 June 2023, the Company held €11.0million cash and cash equivalents.

12.2. Dividend Policy

The Directors intend the Company's dividend policy to provide shareholders with consistent dividend income.

The Board's policy is to pay an interim and final dividend each year. The extent of any dividend distribution will depend upon, amongst other factors, the profit available for distribution for the year, the Directors' view on prevailing market outlook, any debt servicing agreements and repayment requirements including financial covenants and other restrictive covenants, the cash flows for the Company, working capital requirements, investment opportunities, capital expenditure and the requirements of the Act, particularly with regard to distributable reserves.

The gross dividend distributions that have been approved for the financial years ended 31 December 2020, 2021 and 2022, are illustrated below:

Gross Dividend

	Interim Dividend €	Final Dividend €	Total €
2020	1,955,026 (€0.0132 per share)	3,228,756 (€0.0218 per share)	5,183,782 (€0.035 per share)
2021	1,955,026 (€0.0132 per share)	3,228,756 (€0.0218 per share)	5,183,782 (€0.035 per share)
2022	1,955,026 (€0.0132 per share)	3,228,756 (€0.0218 per share)	5,183,782 (€0.035 per share)

A gross interim dividend for the financial year ended 31 December 2023 amounting to €1,955,026 (€0.01320 per share) was distributed in September, 2023. Subject to the factors specified above, the Board expects to recommend to the next annual general meeting of the Company that an additional dividend for the financial year ended 31 December, 2023, at the same levels per share recommended in previous years, be approved. Should such resolution be approved in general meeting, all holders of Shares appearing on the register of members of the Company on the applicable record date, which shall be a date following admittance to listing of the New Ordinary Shares on the Official List of the MSE, shall be entitled to receive such additional dividend for the financial year ended 31 December 2023.

Thereafter, subject to the above factors, it is the Board of Directors' objective to continue distributing total gross dividends to holders of the Shares of the Company amounting to an estimated €0.0350 per Share, equivalent to an estimated gross dividend yield of, at least, 7% on the Rights Issue price.

12.3. Legal and Arbitration Proceedings

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened or of which the Company is aware) during the period covering 12 months prior to the date of the Prospectus which may have, or have had in the recent past, significant effects on the Company's financial position or profitability.

12.4. Significant Change in the Company's Financial or Trading Position

There has been no material adverse change in the prospects of the Company since the date of publication of its latest interim financial statements ended 30 June 2023 nor has there been any significant change in the financial performance of the Company since the end of the last financial period for which financial information has been published to the date of this Registration Document.

13. ADDITIONAL INFORMATION

13.1. Share Capital

13.1.1. Authorised and issued share capital

As at the date of this Registration Document, the authorised share capital of the Company is €125,000,000 divided into 250,000,000 Ordinary Shares of a nominal value of €0.50 each. The issued share capital of the Company is €74,054,032 divided into 148,108,064 Ordinary Shares of a nominal value of €0.50 each, all of which are listed on the Official List.

On 14th December, 2023, at an extraordinary general meeting of the Company, the existing shareholders of the Company resolved to approve the conversion of the authorised and issued share capital of the Company into one ordinary class of shares and the increase of the Company's authorised share capital.

The issued share capital of the Company was previously divided into two classes of ordinary shares: Ordinary "A" Shares, held by the Government of Malta (118,108,064 shares of a nominal value of €0.50 each representing approximately 79.74% of the total issued share capital of the Company), and Ordinary "B" Shares, held by the general public and listed on the Official List of the MSE (30,000,000 shares of a nominal value of €0.50 each representing approximately 20.26% of the total issued share capital of the Company). In anticipation of the Rights Issue, the Company converted the said two classes of shares into one class of ordinary shares and submitted an application to the MFSA and the MSE for the unlisted shares (held by the Government of Malta as aforesaid) to be admitted to listing on the Official List. Such application was approved on 28th December, 2023 and as the date hereof the entire issued share capital of the Company is listed on the Official List.

13.1.2. Memorandum and Articles of Association

The Memorandum and Articles of Association of the Company are registered with the Malta Business Registry. A full list of the objects for which the Company is established is set out in clause 3 of the Memorandum of Association. These objects include, but are not limited to, the following:

- (a) to acquire under any title, develop, manage and operate immovable property, and to grant any real or personal right over any immovable property held by the Company;
- (b) to subscribe for, acquire, hold, manage, administer, dispose of, or otherwise deal with, solely for and on behalf of the Company, directly or indirectly, any shares, stock, debentures, debenture stock, bonds, notes, options, receivables, interests in or securities of all kinds of any company, corporation, entity, partnership or other body of persons;
- (c) to receive, from any assets held by the Company pursuant to any of the provisions of this clause, dividends, capital gains, interest, and any other income derived from investments including income or gains on their disposal, rents, royalties and similar income whether arising in or outside Malta, and profits or gains attributable to a permanent establishment (including a branch) whether situated in or outside Malta;
- (d) to purchase, take by title of lease, or otherwise acquire any asset and to sell, lease, hypothecate or otherwise dispose of the whole or any part of the property or assets of the Company; and
- (e) to borrow without any limit in connection with the Company's business, and to secure the repayment of such monies borrowed or any other obligation by granting hypothecary or other forms of security over any movable or immovable property of the Company.

13.1.3. Appointment and powers of directors

At present, in terms of the Memorandum and Articles of Association of the Company, the Board of Directors shall consist of a maximum of 7 directors, the majority of which are to be independent non-executive directors. A director is considered to be independent when the Board of Directors determines that he/she is free from any business, family or other relationship with the Company, its controlling shareholder or the management of either that creates a conflict of interest such as to jeopardize exercise of his/her free judgment.

Unless the Company in general meeting shall otherwise determine, the Board of Directors shall be made up of 7 directors, appointed as follows:

- (i) a member of the Company holding, or a number of members who between them hold, such number of shares having voting rights as may be sufficient to constitute one or more Qualifying Holdings ("**Qualifying Holding**" means such number of shares held by a member of the Company amounting to 11.25% of the issued share capital of the Company having voting rights), shall be entitled to appoint 1 director for every Qualifying Holding held, by letter addressed to the Company Secretary. No member may, with its Qualifying Holding, appoint more than 5 directors, and members which are, directly or indirectly, controlled by the same person shall, for this purpose, be considered to be one member and subject to the aforesaid limitation. Any Director may be removed at any time by the member or members by whom he/she was appointed provided that, at the time of removal, that member still holds the shareholding qualification necessary for an appointment of directors in this manner;
- (ii) any member shall be entitled to use such shares not otherwise used for the appointment of directors pursuant to (a) above

to participate and vote in an election of directors. Every member entitled to vote in this manner, shall be entitled to nominate a fit and proper person to stand for the election of directors. Such nominee must be seconded by at least such member or members as in aggregate hold at least 100,000 shares having voting rights in the issued share capital of the Company between them.

In the event that there are either less nominations than there are vacancies on the board of directors or if there are as many nominations as there are vacancies on the board of directors, each person so nominated shall be automatically appointed a director. Where there are more nominations than there are vacancies, an election shall take place for the appointment of such number of directors as will fill the vacancies available on the board of directors.

If a member has itself, or in conjunction with another member controlled by the same person, the entitlement to appoint 5 directors, such member shall not be entitled to participate in the election of directors.

Unless they resign or are removed, Directors shall hold office up until the end of the next annual general meeting following their appointment. Directors whose term of office expires or who resign or are removed are eligible for re-appointment.

Save for the appointment of directors in accordance with (a) above, an election of directors shall take place every year at a general meeting of the Company.

Any Director may be removed at any time by the Company in general meeting, provided that the Director who is to be removed shall be given the opportunity of making representations to the general meeting at which a resolution for his removal is to be taken.

The administration and management of the Company shall be conducted by the Directors, provided that, in the following instances, the prior written approval of the Investments Committee established in terms of the Articles of Association, shall be sought and obtained prior to the Directors implementing and putting into effect their decision in that respect:

- i. incurring any indebtedness, whether actual or contingent, in excess of €200,000, whether in a single instance or otherwise;
- ii. carrying out any investment or transaction which is not contemplated in the investment policies determined by the Investment Committee;
- iii. changing or in any way amending the investment policy of the Company.

The Directors may exercise all the powers of the Company to dispose of immovable property, 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 Company or of any third party. The members of the Company, in general meeting, may, from time to time, restrict and limit the aforesaid powers of the Directors, in such manner as they may deem appropriate.

13.1.4. Classes of shares: rights, preferences and restrictions

All ordinary shares rank *pari passu* for all intents and purposes of law.

All shares currently in issue are entitled to vote in any meeting of shareholders. There are currently no restrictions on voting.

13.1.5. Change in control of the Company

Prescribed ceiling

According to clause 6.1 of the Memorandum of Association of the Company, no person, whether directly or indirectly, and in any manner whatsoever, may acquire or hold a beneficial interest in the ordinary shares in excess of 5% of the total issued share capital of the Company having voting rights ("**Prescribed Ceiling**"). Furthermore, clause 6.2 of the Memorandum of Association of the Company, provides that any person who holds, directly or indirectly, shares in the Company in excess of the Prescribed Ceiling, shall by resolution of the directors, after due verification, be disenfranchised and divested of any and all voting rights attached to the respective shares in excess of the Prescribed Ceiling held by such person.

The above-cited provisions shall not apply to shares held by: (i) the Government of Malta; (ii) an underwriter or sub-underwriter under the provisions of an underwriting or sub-underwriting agreement; and (iii) custodians in their custodian capacity provided such custodians can only exercise the voting rights attached to such shares under instructions given in writing or by electronic means by the underlying beneficial owner/s.

Prescribed minimum holding

The Memorandum of Association of the Company also provides, under clause 7 thereof, that the Government of Malta

shall hold at least 70% of the issued share capital of the Company, whether directly or indirectly through an entity or body corporate wholly owned and controlled thereby. Any transfer of shares by the Government of Malta, or any issuance of shares by the Company, which has the effect of reducing the holding or otherwise diluting the holding of the Government of Malta shall be null and void unless such transfer or issuance is made pursuant to the prior approval of the House of Representatives and evidence of such approval is submitted to the Company.

Prohibition from diluting a substantial interest

The Company is prohibited from issuing shares which would have the effect of diluting a substantial interest without the prior written consent of the members in general meeting.

Unless the members in general meeting approve otherwise, the Company, in issuing and allotting new shares for consideration in cash: (a) shall not allot any of them on any terms to any person unless an offer has first been made to each existing member to allot to him in accordance with the provision of the Articles of Association; and (b) shall not allot any of them to any person upon the expiration of any offer to existing members in terms of (a). Any such shares not subscribed for by the existing members pursuant to (a), may be offered for subscription to the general public under the same or other conditions which however cannot be more favourable to the public than an offer made under (a).

13.1.6. Changes to rights of shareholders

Without prejudice to any special rights previously conferred on the holders of any existing shares or class thereof, any shares in the Company may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors may from time to time determine, as hereinafter provided, as long as any such issue of shares falls within the authorised share capital of the Company.

The rights attached to any class of shares as is currently in existence, or other classes of shares that may be created in the future, may (unless otherwise provided by the terms of issue of those shares), whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths (3/4ths) of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class.

13.1.7. Extraordinary general meetings and annual general meetings

Subject to the provisions of the Act, annual general meetings of the Company shall be held at such time and place as the Directors shall appoint.

A general meeting is not deemed to have been duly convened unless at least 21 days' notice is given in writing to all persons entitled to receive such notice, which must specify the place, the day and the hour of the meeting, and in case of special business, the general nature of that business, and shall be accompanied by a statement regarding the effect and scope of any proposed resolution in respect of such special business. The notice period may be reduced to 14 days if certain conditions are satisfied. Persons are entitled to participate in, and vote at, a general meeting if they are entered as a holder of shares on the register of members on the record date. The quorum of shareholders required is not less than 51% of the nominal value of the issued shares entitled to attend and vote at the meeting.

The Directors may convene an extraordinary general meeting whenever they think fit. If at any time there are not sufficient Directors capable of acting to form a quorum for a meeting of the Directors, any member of members of the Company holding in aggregate not less than 10% of the shares conferring a right to attend and vote at general meetings of the Company, may convene an extraordinary general meeting, in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors.

For further detail on general meetings of the Company, please refer to the sections entitled 'General Meetings' in the Articles of Association of the Company.

14. REGULATORY DISCLOSURES

Save as stated hereunder, 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.

On 14th July, 2023, the Company conducted a market sounding exercise with the Government of Malta, as the main shareholder of the Company, in connection with the Rights Issue, in order to gauge the extent to which the Government of Malta would be willing to participate in the Rights Issue, specifically its willingness or otherwise in subscribing to its proportionate entitlement in full subject to it renouncing to such portion of its proportionate entitlement as would enable the Company to satisfy subscriptions or applications for Excess Shares which remain unsatisfied in full or in part following completion of the Rights Issue, provided that it retains a minimum of seventy percent (70%) of the issued share capital of the Company.

15. MATERIAL CONTRACTS

The Company has not entered into any material contract not entered into the ordinary course of its business, which could result in the Company being under an obligation or entitlement that is material to the Company as at the date of this Registration Document.

16. PROPERTY VALUATION REPORT

The Company commissioned Architect Paul Camilleri at Paul Camilleri & Associates to issue property valuation reports on each of the Parliament Building and the Open-Air Theatre, the VCP Site, and the MIA Site. The following are the details of Architect Paul Camilleri:

Business address: 127, Archbishop Street, Valletta, VLT 1444, Malta

Qualifications: B.E. & A. (Hons.) (Melit.), Dip. R.C.Const.(Milan), Eur.Ing.

The property valuation reports are dated 5th January, 2024, and are annexed to this Registration Document as Annex II.

The Company has also commissioned Architect Chris Cacha at Arcituretech Ltd (C 96415) to issue property valuation reports on each of the Affordable Housing Property Sites. The following are the details of Architect Chris Cachia:

Business address: No.78B, Fleur-de-lys Road, Birkirkara, Malta

Qualifications: B.E. & A. (Hons), M.Sc. (Env. Plan. & Mgt), A & C.E.

The property valuation reports are dated 8th January, 2024. A condensed format, in terms of Capital Markets Rule 7.12, of the property valuation reports prepared by Architect Chris Cachia is annexed to this Registration Document at Annex II.

17. THIRD PARTY INFORMATION, STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Save for the valuation reports prepared in relation to the Parliament Building and the Open-Air Theatre, the VCP Site, the MIA Site and the 15 property sites forming part of the Affordable Housing Project and contained in Annex II to the Registration Document, and the accountant's report prepared in relation to the Prospective Financial Information and set out in Annex IV, the Prospectus does not contain any statement or report attributed to any person as an expert.

The valuation reports have been included in the form and context in which they appear with the authorisation of Architect Paul Camilleri and of Architect Chris Cachia respectively, who have given and have not withdrawn their consent to the inclusion of such reports herein.

The accountant's report is set out in Annex IV of the Registration Document with the authorisation of PricewaterhouseCoopers, a registered audit firm with the Accountancy Board of Malta in terms of the Accountancy Profession Act (Chapter 281 of the laws of Malta) with registration number AB/26/84/38, which has given, and has not withdrawn, its consent to the inclusion of the said report herein. PricewaterhouseCoopers confirms that it does not have any material interest in the Company.

The Company confirms that the valuation reports and the accountant's report have been accurately reproduced and as far as the Company is aware and is able to ascertain from the information contained therein, no facts have been omitted which render the reproduced information inaccurate or misleading.

18. DOCUMENTS AVAILABLE FOR INSPECTION

For the duration period of this Registration Document the following documents (or copies thereof) shall be available for inspection at the registered address of the Company:

- (a) the Memorandum and Articles of Association of the Company; and
- (b) the property valuation reports on each of the Parliament Building and the Open-Air Theatre, the VCP Site, and the MIA Site;
- (c) the condensed valuation report and the full versions of the property valuation reports on each of the Affordable Housing Property Sites; and
- (d) the audited financial statements for the financial years ended 31 December 2020, 2021 and 2022; and
- (e) the interim financial statements for the six-month period ended 30 June 2023 (and the comparative information for the six-month period ended 30 June 2022).

These documents are also available for inspection in electronic form on the Company's website at: <https://maltainvestments.com/>.

ANNEX I – List of Directorships of the Company’s Directors and Senior Management

Name	Current Directorships	Past Directorships
<u>Directors</u>		
Marlene Mizzi	AMCA Limited (C 7841) Accountancy Board KM Malta Airlines Ltd (C 106851)	
Miguel Borg	Malta Strategic Partnership Projects Ltd (C 64764)	Bank of Valletta p.l.c. (C 2833) BOV Fund Services Limited (C 39623) BOV Asset Management Limited (C 18603) Media Centre Limited (C 42258) Central Co-operative Fund Malta Government Investments Limited (C 10175) Malta Investment Management Company Ltd (C 9588)
Tania Brown	Automated Revenue Management Systems Ltd (C 46054)	Air Malta p.l.c. (C 2685)
Victor Carachi	Paola Estates Ltd (C 41508) GWU Holdings Ltd (C 20877) GWU Property Holdings Ltd (C 30822) District Operations Ltd (C 73091) Melita Training and Resource Management Ltd (C 62646) Malta Enterprise Corporation Malta Development Bank Occupational Health & Safety Authority Union Print Company Limited (C 10151)	Mellieha Holiday Centre Limited (C 3052) Vjaggi Untours Limited (C 54582) Untours Travel Limited (C 580) Uni-Management Services Ltd (C 47878) Uni Media Ltd (C 25427)
Desiree Cassar	Malpro Limited (C 15251)	
David Mallia	E-Stream plc – Ireland	
Robert Suban	Bank of Valletta p.l.c. (C 2833) Flexagon UCITS Funds SICAV plc (SV 400) RMS Training Ltd (C 65715)	Mapfre Middlesea p.l.c. (C 5553) NINA Funds SICAV plc (SV 406)
<u>Senior Management</u>		
Jennifer Falzon	Malta Tourism Authority	
Michele Abela	N/A	

ANNEX II – Property Valuation Reports

CHRIS CACHIA

ARCITURETECH LTD.

(C96415)

NO.78B, FLEUR-DE-LYS ROAD, BIRKIRKARA, MALTA, TEL: 21485858, MOB: 79040404

The Directors

Malita Investments p.l.c. (C 53047)

Clock Tower

Level 1

Tigne Point

Sliema, Malta

Condensed Valuation Report

08th January 2024

I, the undersigned, a warranted architect & civil engineer, holding warrant number 0276, have been instructed by Malita Investments p.l.c., a public limited liability company with company registration number C53047 (the 'Company'), to issue property valuation reports in relation to respect to fifteen sites held by the Company for the purpose of inclusion of same within the prospectus to be published in connection with a proposed rights issue by the Company.

The properties inspected are mainly residential apartments and maisonettes with underlying garages.

This is the condensed version of the full valuation reports carried out in relation to the properties subject of this valuation. A detailed valuation report of all the properties are available for inspection at the Company's registered office.

Declaration of Independence

I, the undersigned, am an independent architect and civil engineer and prepared this valuation free from any personal interests.

Nature of Inspection

All properties being valued have been inspected by the undersigned architect. The assessment is based on a visual inspection of the properties and no tests or studies were conducted.

Sustainability Features of the Developments and Environmental Risks

The undersigned architect has not carried out an assessment of the sustainability features of the development and has not carried out an environmental impact assessment on the development.

Source of Information and Verification

The valuation was prepared on the basis of information provided to the undersigned architect by the Company and from an onsite inspection.

Information provided by the Company include tenure and lease terms, completion date, letting date and costs incurred to complete projects.

Infringement of Statutory Requirements

There have been no infringements of statutory requirements in respect to the properties inspected.

Tenure

The properties were granted by the Housing Authority unto the Company by title of temporary emphyteusis subject to the payment of an annual, temporary and revisable ground-rent, which is currently €153,912.00 (one hundred, fifty-three thousand, nine hundred and twelve Euro) for a period of (36) years which commenced in December 2017.

The ground-rent shall be revised upwards, with the first revision occurring on the lapse of the third (3rd) year of the Emphyteutical Grant, once every three (3) years at the end of the relevant three (3) year period by increasing the pro tempore ground-rent payable during the year immediately preceding the relative revision by five per cent (5%).

Lease Terms

The residential units will be leased to individuals who qualify for affordable housing and who are in possession of the relevant certificate from the Housing Authority. The residential units will be leased for a period of 10 years commencing from the commencement date referred to in the respective lease agreements to be entered into, unless otherwise agreed in writing between the Company and the Government of Malta, or unless otherwise terminated earlier in accordance with the terms of the agreement. If the Government of Malta so instructs, the term of the lease may be extended with the written consent of the Company and the lessee. The garages will be leased for definite periods of time.

The rent of the units is subject to an increase per annum in accordance with the Index of Inflation as published by the National Statistics Office in Malta, as established in accordance with Article 9 of the Malta Statistics Authority Act (Chapter 422 of the laws of Malta). The Rent shall be payable over the Rent due in the immediately preceding year.

The rent of the garages and/or car spaces is payable yearly in advance by executing a direct debit mandate, which mandate the Lessee undertakes to keep in full force and effect until the expiry of the Term and to cover all rent payable under this agreement. The rent shall increase by 3% every three (3) years and payable over the rent due in the immediately preceding year.

Ordinary repairs within the residential units and the garages are to be borne by the lessee unless caused through the fault or negligence of the Company. Extraordinary repairs to the residential units, the block and the garages are the sole responsibility of the Company, unless caused through fault or negligence of the lessee or lack of ordinary maintenance by the lessee.

Valuation Assumptions

The valuation report is being issued in accordance with Chapter 7 of the Capital Markets Rules published by the Malta Financial Services Authority, and with due consideration to the Standards and guidelines as published by the Royal Institution of Chartered Surveyors (RICS) and with the International Valuation Standards Committee (IVSC).

Three different approaches (residual, comparative and income capitalization) were used to obtain an average estimate of the properties and prepare the valuation. The residual approach, considers the costs of the project from initial stage to completion stage by analyzing the potential development of the property, expenses and taking into account the margin of profit. The comparative approach, where similar properties in the area are evaluated taking into consideration characteristics such as location, size, finishes and consider the possibility of a buyer and seller scenario. The income capitalization approach, taking into consideration the rental income of the properties and capitalized to indicate an estimate of the open market value of the property.

The different methodologies were used to arrive at an estimated value to be as close as possible to the actual market value. The different methodologies seldom give exact estimates, but they do give very clear indications to the valuer to enable him to value the property.

There are several variables included in each methodology that will affect the property prices, thus the difference of values from different methodologies.

Finally the three different values obtained were studied by the valuer, averages were also considered but ultimately the valuer had to decide which value he had attributed to each and every property. Hence the professional input from the architect in charge.

The final valuation is based assuming that the property is in line with the approved permits and regulations and no material contraventions exist on the property inspected.

Other Matters which materially affect the Value

The undersigned architect is not aware of any other matters which may affect the value of the properties inspected.

Details of registered mortgages and privileges and other charges, real rights thereon including details of emphyteutical concessions, easements and other burdens

The properties are hypothecated in favour of Bank of Valletta p.l.c. as security for a bank guarantee granted by the said bank in favour of the European Investment Bank (“EIB”) and the Council of Europe Development Bank (“CEB”) in respect of financing provided to the Company by the EIB and the CEB.

Confidentiality and Disclaimer

The report may be used only for the purpose to which refers. I hereby consent to the disclosure of this valuation in the prospectus to be published by the Company in connection with a proposed rights issue.

Summary of Property Valuations

The following is a summary of the valuations of the properties held by the Company:

Luqa Complex

Address	A plot of land in Hal Farrug, limits of Luqa, bounded on the North-East by Triq l-Istunell Roza, on the South-West by Triq ir-Russett Abjad and the South-East by Triq il-Vitorja
Brief Description	Complex to include three separate blocks of apartments from Level 0 to Level 7 with underlying Level -2 and Level -1 garages. The project will include a total of 45No. parking spaces, 242No. lock-up garages and 267No. apartments (mix of 1, 2 & 3 bedroom apartments).
Site Area	Site area measures approximately 6,750sq.m. Each block footprint area is approximately 1,870sq.m. from Level -2 to Level 0. Areas from Level 1 to Level 7 is approximately 1,300sq.m.
Planning Permits	PA5889/98, PA2980/14, PA5866/17, PA3091/20,
Material Contraventions	N/A
Age of Building	As at the date of this valuation report, the Site is in construction stage and thus is still to be completed.
Costs to Date	Measured construction costs as of 16-10-2023 are approximately €2,700,000.00 + VAT (two million, seven hundred thousand Euro).
Est. date of Completion	Block A October 2025, Block B December 2026, Block C December 2026
Est. Total Cost to complete project	Approximately €40,000,000.00 (forty million Euro).
Open market value in existing state	€25,725,000.00 (twenty-five million, seven hundred and twenty-five thousand Euro).
Open market value of Blocks A, B & C when complete	€68,910,000.00 (sixty-eight million, nine hundred and ten thousand Euro).
Open market value of Blocks A, B & C	€68,910,000.00 (sixty-eight million, nine hundred and ten thousand Euro).

when developed and let

Annual rent value of the Blocks per agreement €2,942,316.00 (two million, nine hundred, forty-two thousand and three hundred, sixteen Euro).

Open market annual rent value of the blocks when complete and let €3,167,000.00 (three million, one hundred, sixty-seven thousand Euro)

H'Attard Block of Apartments

Address	A corner block of apartments in H'Attard, bounded on the North by Triq I-Ghenba and on the East by Triq il-Kampanella.
Brief Description	The property in question consists of a block of flats with underlying garages. The block consists of a basement level (3 parking spaces) and four overlying levels for a total of 8 apartments (mix of 1 & 2 bedroom apartments).
Site Area	Site area measures approximately 299sq.m. (the measurement is as per Planning Authority application PA2800/17 submitted by Arhcitecture XV)
Planning Permits	PA2214/06, PA1062/14, PA2800/17
Material Contraventions	N/A
Age of Building	Completed February 2023. Occupied March of 2023
Open market value of the property	€1,680,000.00 (one million, six hundred and eighty thousand Euro).
Annual rent value of the block per agreement	€77,184.00 (seventy-seven thousand and one hundred, eighty-four Euro).
Open market annual rent value of the block when let	€95,700.00 (ninety-five thousand and seven hundred Euro).

Birkirkara Complex

Address	Two blocks of apartments in Birkirkara. Block A bounded on the North-West by Triq il-Qanpiena, on the South-West by Triq tas-Sisla and on the North-East by Triq Girgor Gatt. Block B bounded on the South-West by Triq Gorg Borg, on the North- West by Triq tas-Sisla and on the South-East by Triq Mro. Giuseppe Camilleri
Brief Description	The property in question consists of a residential complex divided into two separate blocks (Block A & Block B) with underlying garages. The complex consists of a basement level and four overlying levels for a total of 56No. lock-up garages and 73No. apartments (mix of 1, 2 & 3 bedroom apartments).
Site Area	Site area measures approximately 2,607sq.m. (the measurement is as per Planning Authority application PA3856/17 submitted by Perit Wallace Farrugia) Block A footprint area is approximately 807sq.m. Block B footprint area is approximately 1,800sq.m.
Planning Permits	PA7603/07, PA1281/14, PA3856/17
Material Contraventions	N/A
Age of Building	The project was completed in July 2022 and occupied in August of 2022.
Open market value of the blocks	€16,480,000.00 (sixteen million, four hundred and eighty thousand Euro).
Annual rent value of the blocks per agreement	€777,654.00 (seven hundred, seventy-seven thousand and six hundred, fifty- four Euro).
Open market annual rent value of blocks when let	€900,350.00 (nine hundred thousand and three hundred, fifty Euro).

Cospicua Complex

Address	A Site in Bormla, bounded on the North by Triq San Mark, on the West by Triq Hanover, on the East by Triq I-Irlandiz and on the South by Triq Santa Liena.
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Brief Description	The complex consists of seven separate blocks including green spaces and outdoor areas with underlying parking spaces. Three blocks consist of four levels, two blocks consist of five levels, one block consists of six levels and one block consists of a childcare centre and a community centre. The project consists of a total 107No. parking spaces, 20No. maisonettes (mix of 1, 2 & 3 bedroom maisonettes), 49No. apartments (mix of 1, 2 & 3 bedroom apartments), 1No. childcare and 1No. community centre.
Site Area	Site area measures approximately 2,975sq.m. including all blocks and outdoor/green spaces (the measurement is as per Planning Authority application PA10844/18 submitted by X,Y,Z Architecture & Design). Block A footprint area is approximately 243sq.m. Block B footprint area is approximately 284sq.m. Block C footprint area is approximately 397sq.m. Block D footprint area is approximately 141sq.m. Block E footprint area is approximately 256sq.m. Block F footprint area is approximately 280sq.m. Childcare & Community block footprint area is approximately 211sq.m.
Planning Permits	PA1520/00, PA5089/07, PA3129/12, PA6836/17, PA8976/18, PA10844/18, PA6071/23, PA6073/23
Material Contraventions	N/A
Age of Building	Construction works in blocks were completed in February 2023, except the childcare and community centre block, which is being constructed.
Costs to Date	As of October 2023 costs amount to approximately €5,100,000.00Euro + VAT (five million, one hundred thousand Euro).
Est. date of Completion	The whole project is estimated to be completed by November 2024 and occupied by December 2024.
Est. Total Cost to complete project	Approximately €15,000,000.00 (fifteen million Euro).
Open market value in existing state	€12,630,000.00 (twelve million, six hundred and thirty thousand Euro).

Open market value of blocks when complete €16,080,000.00 (sixteen million and eighty thousand Euro).

Open market value of blocks when developed and let €16,080,000.00 (sixteen million and eighty thousand Euro).

Annual rent value of the blocks as per agreement €757,872.00 (seven hundred, fifty-seven thousand and eight hundred, seventy-two Euro). (excluding commercial premises as Company, as of the 04th January 2024, does not have a lease agreement).

Open market annual rent value of blocks when complete and let €926,200.00 (nine hundred, twenty-six thousand and two hundred Euro). Including commercial premises.

Kirkop A Block of Apartments

Address	A corner block of apartments in Kirkop, bounded on the North-East by Triq il-Hawh and on the South-East by Triq il-Lewziet.
Brief Description	The property consists of a corner residential block of apartments with underlying garages. The block consists of two separate common stairs with lift, two basement levels and four overlying levels. The project consists of a total 21No. lock-up garages, 4No. maisonettes (mix of 1, 2 & 3 bedroom maisonettes) and 15No. apartments (mix of 1, 2 & 3 bedroom apartments).
Site Area	Site area measures approximately 780sq.m. (the measurement is as per Planning Authority application PA3625/17 submitted by Perit Philip Micallef).
Planning Permits	PA1063/06, PA3283/07, PA3664/13, PA274/14, PA3625/17
Material Contraventions	N/A
Age of Building	Construction works were completed in October 2021 and currently being finished.
Costs to Date	As of October 2023 costs amount to approximately €1,900,000.00 + VAT (one million, nine hundred thousand Euro).

Est. date of Completion	The block of apartments is estimated to be completed by January 2024 and occupied by February 2024.
Est. Total Cost to complete project	Approximately €2,600,000.00 (two million, six hundred thousand Euro).
Open market value in existing state	€5,194,000.00 (five million, one hundred and ninety-four thousand Euro).
Open market value of block when complete	€5,310,000.00 (five million, three hundred and ten thousand Euro).
Open market value of block when developed and let	€5,310,000.00 (five million, three hundred and ten thousand Euro).
Annual rent value of the block as per agreement	€221,652.00 (two hundred, twenty-one thousand and six hundred, fifty-two Euro)
Open market annual rent value of the block when complete and let	€233,400.00 (two hundred, thirty-three thousand and four hundred Euro).

Kirkop B Block of Apartments

Address	A corner block of apartments in Kirkop, bounded on the North-East by Triq Salvu Sacco and on the South-East by Triq Nerik Xerri
Brief Description	The property consists of a residential block of apartments at ground floor level and three overlying floors including a total of 3No. maisonettes (mix of 1 & 2 bedroom maisonettes) & 15No. apartments (mix of 1 & 2 bedroom apartments).
Site Area	Site area measures approximately 552sq.m. (the measurement is as per Planning Authority application PA4380/17 submitted by Philip Micallef).
Planning Permits	PA1064/06, PA274/13, PA4380/17
Material Contraventions	N/A

Age of Building	The block was completed in May 2023 and occupied in June 2023.
Open market value of the block	€3,130,000.00 (three million, one hundred and thirty thousand Euro).
Annual rent value of the block as per agreement	€171,264.00 (one hundred, seventy-one thousand and two hundred, sixty-four Euro)
Open market annual rent value of the block when let	€182,400.00 (one hundred, eighty-two thousand and four hundred Euro).

Kirkop C Block of Apartments

Address	A block of apartments in Triq tal-Fieres, Kirkop.
Brief Description	The property consists of a block of apartments with underlying garages. The block consists of a basement level and four overlying levels for a total of 6No. lock-up garages and 8No. 3-bedroom apartments.
Site Area	Site area measures approximately 370sq.m. (measured from the Planning Authority approved plan in PA2796/17 submitted by Perit Christopher Mintoff).
Planning Permits	PA8205/06, PA1487/13, PA2796/17
Material Contraventions	N/A
Age of Building	The block was completed in January 2023 and occupied in February 2023.
Open market value of the block	€2,240,000.00 (two million, two hundred and forty thousand Euro).
Annual rent value of the block as per agreement	€97,044.00 (ninety-seven thousand and forty-four Euro)
Open market annual rent value of the block when let	€101,100.00 (one hundred, one thousand and one hundred Euro).

Kirkop D Block of Apartments

Address	A block of apartments in Kirkop, bounded on the West by Triq San Remig and on the East by Triq tal-Fieres.
Brief Description	The property consists of two residential blocks of apartments with underlying garages. The blocks will consist of a basement level and four overlying levels. The blocks will consist of a total 8No. parking spaces and 8No. apartments (1No. 2-bedroom apartment and 7No. 3-bedroom apartments)
Site Area	Site area measures approximately 380sq.m. (the measurement is as per Planning Authority application PA5097/17 submitted by Perit Christopher Mintoff)
Planning Permits	PA8204/06, PA1130/13, PA5097/17
Material Contraventions	N/A
Age of Building	Construction works were completed in April 2023 and currently being finished.
Costs to Date	As of October 2023 costs amount to approximately €800,000.00 + VAT (eight hundred, thousand Euro).
Est. date of Completion	The block of apartments is estimated to be completed in January 2024 and occupied by February 2024.
Est. Total Cost to complete project	Approximately €1,300,000.00 (one million, three hundred thousand Euro)
Open market value in existing state	€1,790,000.00 (one million, seven hundred and ninety thousand Euro).
Open market value of blocks when complete	€2,110,000.00 (two million, one hundred and ten thousand Euro).
Open market value of blocks when developed and let	€2,110,000.00 (two million, one hundred and ten thousand Euro).
Annual rent value of the blocks as per agreement	€96,024.00 (ninety-six thousand and twenty-four Euro)

Open market annual rent value of the blocks when complete and let €100,400.00 (one hundred thousand and four hundred Euro).

Qrendi A Block of Apartments

Address	A plot of land in Qrendi, bounded on the North-East by Triq Nazzareno Mifsud, on the South-East by Triq Patri Nikol Magri and on the South-West by Triq Sant'Anna.
Brief Description	The property will consist of a residential complex with underlying garages. The complex will consist of three separate common stairs with lift, basement garages and four overlying floors. The total project will consist of 14No. lock-up garages, 6No. maisonettes (mix of 1,2 & 3 bedroom maisonettes) and 18No. apartments (mix of 1,2 & 3 bedroom apartments)
Site Area	Site area measures approximately 972sq.m. (the measurement is as per Planning Authority application PA3152/17 submitted by Perit William Lewis).
Planning Permits	PA7892/05, PA1768/11, PA3152/17
Material Contraventions	N/A
Age of Building	Construction works as of the 19 th December 2023 reached roof over basement level in part of the site. The remaining part of the site construction works are at foundation level.
Costs to Date	As of October 2023 costs are approximately €950,000.00 + VAT (nine hundred and fifty thousand Euro).
Est. date of Completion	The project is estimated to be completed by July 2025 and occupied by August 2025.
Est. Total Cost to complete project	Approximately €3,600,000.00 (three million and six thousand Euro).
Open market value in existing state	€2,620,000.00 (two million, six hundred and twenty thousand Euro).

Open market value of blocks when complete €6,310,000.00 (six million, three hundred and ten thousand Euro).

Open market value of blocks when developed and let €6,310,000.00 (six million, three hundred and ten thousand Euro).

Annual rent value of the block as per agreement €261,012.00 (two hundred, sixty-one thousand and twelve Euro)

Open market annual rent value of the block when complete and let €275,300.00 (two hundred, seventy-five thousand and three hundred Euro).

Qrendi B Block of Apartments

Address Residential blocks of apartments in Qrendi, bounded on the North-West by Triq Nazzareno Sammut and on the South-East by Triq San Matthew.

Brief Description The property consists of three residential blocks of apartments, two overlooking Triq Nazzareno Sammut and one overlooking Triq San Matthew. The blocks include a total 20No. lock-up garages, 4No. maisonettes (mix of 2 & 3 bedroom maisonettes) and 22No. apartments (mix of 1,2 & 3 bedroom apartments).

Site Area Site area measures approximately 1,030sq.m
Two blocks overlooking Triq Nazzareno Sammut footprint total area is approximately 354sq.m.
One block overlooking Triq San Matthew footprint area is approximately 434sq.m.

Planning Permits PA2426/06, PA382/13, PA3105/17

Material Contraventions N/A

Age of Building Construction works were completed in October 2021 and currently being finished.

Costs to Date As of October 2023 costs are approximately €1,600,000.00 + VAT (one million and six hundred thousand Euro).

Est. date of Completion	The block is estimated to be completed by February 2024 and occupied by March 2024.
Est. Total Cost to complete project	Approximately €2,900,000.00 (two million and nine hundred thousand Euro).
Open market value In existing state	€5,540,000.00 (five million, five hundred and forty thousand Euro).
Open market value of blocks when complete	€6,860,000.00 (six million, eight hundred and sixty thousand Euro).
Open market value of blocks when developed and let	€6,860,000.00 (six million, eight hundred and sixty thousand Euro).
Annual rent value of the blocks as per agreement	€289,368.00 (two hundred, eighty-nine thousand and three hundred, sixty-eight Euro).
Open market annual rent value of the blocks when complete and let	€305,000.00 (three hundred thousand and five Euro).

Qrendi C Block of Apartments

Address	Residential block of apartments in Qrendi, bounded on the North-West by Triq Guze' Cassar.
Brief Description	The property consists of a residential block of apartments with underlying garages at basement level and four overlying floors. The block consists of two separate common stairs with lift, 7No. lock-up garages and 11No.apartments (1No. 3-bedroom apartment and 10No. 2-bedroom apartments).
Site Area	Site area measures approximately 405sq.m. (the measurement is as per Planning Authority application PA2263/18 submitted by Perit Sandro Cini).
Planning Permits	PA6623/05, PA5646/08, PA3374/15, PA2263/18
Material Contraventions	N/A

Age of Building	The block was completed in December 2023 and occupied by January 2024.
Open market value of the block	€2,730,000.00 (two million, seven hundred and thirty thousand Euro).
Annual rent value of the block as per agreement	€119,298.00 (one hundred, nineteen thousand and two hundred, ninety-eight Euro)
Open market annual rent value of the block when let	€125,950.00 (one hundred, twenty-five thousand and nine hundred, fifty Euro).

Zurrieq Block of Apartments

Address	Residential block of apartments in Zurrieq, bounded on the South-West by Triq Guzeppi Mattew Callus and on the North-East by Triq Ta' Ciantar.
Brief Description	The property consists of a residential block of apartments between two streets with underlying garages. The block consists of four separate common stairs with lift, basement garages and four overlying floors for a total of 20No. lock-up garages and 27 apartments (mix of 1,2 & 3 bedroom apartments).
Site Area	Site area measures approximately 1,215sq.m.(the measurement is as per Planning Authority application PA3994/17 submitted be Perit Robert Sarsero)
Planning Permits	PA7739/05, PA5467/08, PA1005/14, PA298/16, PA3994/17
Material Contraventions	N/A
Age of Building	The block was completed in December 2023 and will be occupied by January 2024.
Open market value of the block	€7,400,000.00 (seven million and four hundred thousand Euro).
Annual rent value of the block as per agreement	€306,696.00 (three hundred, six thousand and six hundred, ninety-six Euro)

Open market annual rent value of the block when let €322,400.00 (three hundred, twenty-two thousand and four hundred Euro).

Msida Complex

Address A residential complex in Msida, bounded on the South-West by Triq Garcin and on the North and North- East by Triq il-Wied ta' l-Imida.

Brief Description The property consists of a residential complex including Class 4b commercial outlets and garages. The complex consists of ten separate common stairs with lift and include maisonettes, apartments, garages and Class 4b commercial outlets at ground floor and three overlying floors. The total project includes 3No. Class 4B shops, 22No. lock-up garages, 5No. maisonettes (1-bedroom maisonettes) and 97No. apartments (mix of 1,2 & 3 bedroom apartments).

Site Area Site area measures approximately 2,500sq.m. (the measurement is as per Planning Authority application PA2369/17 submitted by Perit Samuel Formosa).

Planning Permits PA1814/03, PA3515/13, PA2369/17

Material Contraventions N/A

Age of Building Construction works were completed in January 2022 and currently being finished.

Costs to Date As of October 2023 costs are approximately €6,800,000.00 + VAT (six million, eight hundred thousand Euro).

Est. date of Completion The project is estimated to be completed in January 2024 and occupied by February 2024.

Est. Total Cost to complete project Approximately €9,600,000.00 (nine million, six hundred thousand Euro)

Value in Existing State €22,355,000.00 (twenty-two million, three hundred and fifty-five thousand Euro).

Value of Complex when Completed €23,065,000.00 (twenty-three million and sixty-five thousand Euro).

Value of Complex when developed and let €23,065,000.00 (twenty-three million and sixty-five thousand Euro).

Annual rent value of the Complex per agreement €1,051,686.00 (one million, fifty-one thousand, six hundred, eighty-six Euro) (excluding the shops since the Company does not have an agreement in place)

Open market annual rent value of complex when complete and let €1,436,350.00 (one million, four hundred, thirty-six thousand and three hundred, fifty Euro). Including shops.

Zebbug B Block of Apartments

Address A block of apartments in Zebbug, bounded on the North-East by Triq il-Qolla.

Brief Description The property consists of a block of apartments with underlying garages. The block consists of a basement level and four overlying levels for a total of 6No. lock-up garages and 8No. apartments (mix of 2 & 3 bedroom apartments).

Site Area Site area measures approximately 377sq.m. (the measurement is as per Planning

Planning Permits PA1866/03, PA7438/07, PA951/14, PA959/14, PA4679/17

Material Contraventions N/A

Age of Building The block was completed in February 2023 and occupied in March 2023.

Open market value of the block €2,160,000.00 (two million, one hundred and sixty thousand Euro).

Annual rent value of the block as per agreement €92,664.00 (ninety-two thousand, six hundred and sixty-four Euro)

Open market annual rent value of the block when let €97,200.00 (ninety-seven thousand and two hundred Euro).

Siggiewi Complex

Address A complex in Siggiewi, bounded on the North-East in part by Triq Dun Manwel Zammit, on the South-West by Triq l-Imdina and on the South-East by Triq it-Tabib Nikol Zammit.

Brief Description The property consists of a residential complex including green spaces, commercial pemises and underlying garages. The complex is divided into two blocks. The first block is accessible from Triq l-Imdina and Triq it-Tabib Nikol Zammit and consists of three basement levels and four overlying levels. The second block is accessible from Triq Dun Manwel Zammit and will consist of a basement level and four overlying levels. The commercial premises are located between the two blocks accessible from Triq Dun Manwel Zammit at Level 0. The project consists of 95No. lock-up garages, 26No. parking spaces, 5No. maisonettes (mix of 1 & 2 bedroom maisonettes, 79No. apartments (mix of 1,2 & 3 bedroom apartments), an office with ancillary facilities and a childcare centre.

Site Area Site area measures approximately 3,190sq.m. including all blocks and outdoor/green spaces (the measurement is as per Planning Authority application PA358/19 submitted by Bencini and Associates).
Block 1 footprint area measures approximately 1,216sq.m.
Block 2 footprint area measures approximately 668sq.m.
Commercial premises footprint area measures approximately 624sq.m.

Planning Permits PA6450/06, PA3630/17, PA358/19

Draft Commercial Lease Terms An agreement has been drafted for the commercial premises, yet to be signed as of the 22nd December 2023 on the following basis;
Lessee shall pay the Lessor the amount of €60,000 per year, which shall be paid on a quarterly/bi-annual/annual basis (the "Rent"). The Rent shall be increased each year in accordance with the Index of Inflation. If the average annual variation is negative, this shall not result in the reduction

of the rent. Term of Lease is 25 years from the execution of the lease agreement.

Material Contraventions N/A

Age of Building Construction works were completed in February 2021 and currently in the final stages of finishing works, except for the commercial premises which are finished.

Costs to Date As of October 2023 costs amount to approximately €6,300,000.00 + VAT (six million and three hundred thousand Euro).

Est. date of Completion The project is estimated to be completed by February 2024 and occupied by March 2024.

Est. Total Cost to complete project Approximately €12,500,000.00 (twelve million and five hundred thousand Euro).

Open market value In existing state €19,093,000.00 (nineteen million and ninety-three thousand Euro).

Open market value when complete €22,140,000.00 (twenty-two million, one hundred and forty thousand Euro).

Open market value when developed and let €22,140,000.00 (twenty-two million, one hundred and forty thousand Euro).

Annual rent value of the complex per agreement €980,382.00 (nine hundred, eighty thousand and three hundred, eighty-two Euro) (including draft agreement, yet to be signed as of the 22nd December 2023, for the commercial premises).

Open market annual rent value of complex when complete and let €1,041,050.00 (one million, forty-one thousand and fifty Euro).

.....
Chris Cachia B.E. & A. (Hons), M.Sc. (Env. Plan. & Mgt), A & C.E.



PAUL CAMILLERI & ASSOCIATES

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Valuation of the Temporary Dominium Directum and the Absolute Freehold Ownership of the Properties underlying the Original Emphyteutical Grant to Malta International Airport plc

5th January 2024

Paul Camilleri B.E. & A. (Hons.) (Melit.), Dip.R.C.Const. (Milan), Eur. Ing., Perit
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Andrew Scicluna B.E. & A. (Hons.) (Melit.), Perit
Leon Gauci B.Sc.Built Env. (Hons.), M.Arch., (Melit.)



(A) Scope of Valuation

The scope of this valuation is that of assessing the following:

A.1 The open market value of the temporary dominium directum of the First Property for the period which remains from the term of sixty five (65) years which commenced on the twenty sixth day of July of the year two thousand and two (26/7/2002), the right to receive the First Ground-rent burdening the First Property, and the absolute freehold ownership of the First Property after the expiry or earlier termination of the First Emphyteutical Grant.

A.2 The open market value of the temporary *dominium directum* of the Second Property for the period which remains from the term which commenced on the first day of July of the year two thousand and ten (1/7/2010) and ends on the twenty fifth day of July of the year two thousand and sixty seven (25/7/2067), the right to receive the Second Ground-rent burdening the Second Property and the absolute freehold ownership of the Second Property after the expiry or earlier termination of the Second Emphyteutical Grant.

I understand that this valuation is required for the purpose of inclusion in the Prospectus in connection with the proposed rights issue by Malita Investments p.l.c. (C 53047) and has been drawn up in accordance with the requirements of Chapter 7 of the 'Capital Markets Rules published by the Malta Financial Services Authority.

A.3 Status of valuer and compliance

I confirm that the undersigned complies with the requirements of independence and objectivity set out in the RICS standards and guidelines and that the undersigned has no conflict of interest in valuing the Properties. This valuation has been taken by the undersigned in the capacity of external valuer.

A.4 Basis of valuation

Generally, the Property have been valued on the basis of Market Value as set out in VS 3.2 of the Red Book which is defined as:

'The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.'

A.5 Assumptions and sources of information

An assumption is stated in the glossary to the Red Book to be a 'supposition taken to be true' ('Assumption'). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuation, we have made a number of Assumptions and have relied on certain sources of information; and namely (a) information derived from the contracts related to the property in question as provided by Malita Investments p.l.c. and (b) cash flow, ground rent quantum, discount rates and other information of a similar nature as provided by Malita Investments Plc./PricewaterhouseCoopers. In the event that any of these Assumptions prove to be inaccurate or incorrect then our valuation should be reviewed.

The Assumptions we have made for the purposes of our valuation are referred to below:



a) Areas

We have not measured the Property and neither have we undertaken the measurement of any land sites. As instructed, we have relied solely upon the information provided, which we have assumed to be full and correct.

b) Condition

We have not carried out building surveys of the existing structures located on the Property and neither have we tested the drainage or service installations in the buildings as this was outside the scope of our instructions.

We have not been provided with any structural and/ or services surveys or environmental reports and therefore, where we have assumed the continuing use of an existing building, we have made an assumption that the buildings are structurally sound, free from any defects, free from any rot, infestation, adverse toxic chemical treatments or other design defects that may adversely impact on their future use.

Due regard has been paid to the apparent state of repair and condition of the existing buildings, but condition surveys have not been undertaken, nor have other parts of the structures which are covered, unexposed or inaccessible, been inspected.

As seen, we have made an Assumption that the existing buildings are free from any rot, infestation, adverse toxic chemical treatments, and structural or design defects.

We have not arranged for investigations to be made to determine whether high alumina cement concrete, calcium chloride additive or any other deleterious materials have been used in the construction or any alterations, and therefore we cannot confirm that the existing buildings are free from risk in this regard. For the purpose of this valuation, we have made an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

We have carried out cursory inspection of the buildings during site visits carried out in November 2023.

c) Legal and planning

We have not been provided with any formal reports on title or legal due diligence in respect of the Property prepared by lawyers. We have however, been provided with copies of the respective contracts.

We do not normally read leases or title documents. The interpretation of the legal documents/ disputes is a matter for lawyers and as such we accept no responsibility or liability for the true interpretations of the legal position.

d) Infringement of Statutory Requirements

We have been informed by the Company, that there have been no infringements of statutory requirements in respect of the Property.

e) Intra Group Leases

Given that the company does not form part of a group of companies, it has been confirmed that the Property is not subject to any intra-group lease that otherwise would have to be included in the respective report.



f) Building permits

Information regarding building permits for the existing buildings and structures that exist within the Property have been included as appendices.

g) Environmental matters

We have not been instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated.

Should it be established that contamination does exist, this might reduce the value now reported. We have no basis to assess the reasonableness of this Assumption. If it were to prove invalid then the value would fall by an unspecified amount. We have therefore made no allowance in our valuation for any effect in respect of actual or potential contamination in the land or buildings.

h) Lettings

We have not been provided with copies of all the individual sub-lease contracts and we have therefore relied upon information provided by and utilised by Malita Investments Plc./PricewaterhouseCoopers in respect of all tenancy information, rents, lease terms etc.

We have assumed that this information is up to date and correct, and should this Assumption prove invalid then our opinion of value may fall by an unspecified amount.

i) Taxation and costs

We have not made any adjustments to reflect any liability to taxation that may arise on disposals, nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, or taxation allowance that may arise on disposals.

j) Information

We have made an assumption that the information provided to us is both full and correct, and have relied on the following sources of information:

- Malita Investments p.l.c.
- Contracts published by Dr Tania Spiteri, (Notary Public in the Government Property Division)
- PricewaterhouseCoopers
- Planning Authority

It follows that we have made an Assumption that details of all matters likely to affect value within their collective knowledge have been made available to us and that the information is up to date.

k) Valuation

By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. Although our conclusions are in our opinion reasonable and defensible, others might wish to argue for different values.



Our general assumptions and definitions are included as an intrinsic part of the valuation report. Furthermore, the basis of the valuation is that derived from the 'Income Approach' method. For this reason we have been assisted in carrying out this valuation by Malita Investments Plc./PricewaterhouseCoopers. Their assumptions and definitions:

- The dominus and emphyteuta are assumed to be separate and distinct parties and therefore no premium, which may arise from marrying the dominium directum and the freehold of the properties during the term of the emphyteutical grants has been considered.
- In the Valuation, no adjustment has been made to reflect any liability to taxation that may arise on the ground-rents, and other income receivable from the Sites, gains that may be realised in a disposal, nor any costs associated with such a disposal.
- The valuation provide for a deduction to reflect an apportionment of the projected annual administrative costs to be expensed by the Company in the administration and collection of the gross amounts receivable from the Site, discounted to present value at the discount rate.
- In the Valuation, no account has been taken of the value of the buildings and improvements carried out on the Site given that it is assumed that on expiry of the deeds of grants, these will be beyond their economic useful life.
- For the purpose of the Valuation, it is being assumed that MIA will remain financially in a position to meet their obligations and honour the payment of ground rents and other terms of the deed of grants until the end of the term.

B) The Ground-rents

B.1 The annual and temporary ground-rent which had been imposed on the First Property on the Deed of First Grant was six hundred and ninety eight thousand eight hundred and twelve euro and two cent (EUR698,812.02) (formerly three hundred thousand Maltese Liri (Lm300,000)) per annum, which annual ground-rent shall be revised upwards every fifth (5th) year of the First Emphyteutical Grant by fifteen per cent (15%) on the ground-rent payable annually in terms of the Deed of First Grant in each year immediately preceding the five (5) year term (in this valuation report referred to as the "**First Ground-rent**"). Such revisions took place in the years two thousand and seven (2007), in the year two thousand and twelve (2012), in the year two thousand and seventeen (2017) and in the year two thousand and twenty two (2022) and pursuant to these revisions the First Ground-rent has been increased to one million, two hundred and twenty-two thousand, two hundred and twenty six euro and fifty six cent (€1,222,226.56).

B.2 The annual and temporary ground-rent which had been imposed on the Second Property on the Deed of Second Grant was seventy one thousand three hundred and eight euro (EUR71,308) per annum, which annual ground rent shall be revised upwards every fifth (5th) year of the Second Emphyteutical Grant by fifteen per cent (15%) on the ground-rent payable annually in terms of the Deed of Second Grant in each year in the immediately preceding five (5) year term (referred to as the "**Second Ground-rent**"). Such revisions took place in the year two thousand and fifteen (2015) and in the year two thousand and twenty (2020) and pursuant to these revisions the Second Ground-rent has been increased to ninety four thousand, three hundred and four Euro and eighty three cent (€94,304.83).

B.3 As such the total annual ground rent imposed on the First Property and that imposed on the Second Property, is one million, three hundred and sixteen thousand, five hundred and thirty-one Euro and thirty-nine cent (€1,316,531.39).



B.4 The Ground-rents are payable in advance in two (2) equal six monthly instalments, one instalment falling due on the first (1st) day of January of each year and the other instalment falling due on the first (1st) day of July of each year, for the duration of the Emphyteutical Grants. The last instalment due prior to the expiration of the term of the Emphyteutic AI Grants shall be adjusted to reflect a *pro rata* payment of the annual ground-rent then payable for the period remaining from the due date of the last instalment up to the expiration date of the Emphyteutical Grants.

B.5 Without prejudice to sub-paragraph (i) of paragraph (a) of sub-clause 1 of clause 18 of the Deed of First Grant (which provision also applies to the Deed of Second Grant) interest for late payment of ground-rent shall accrue at two per cent (2%) per annum over and above the minimum discount rate established by the Central Bank of Malta from time to time. No interest shall accrue for the first seven (7) days from the due date of ground-rent, provided that if payment is received after the lapse of the seventh day as afore-mentioned, interest shall be charged as from the first day immediately following the due date for payment of ground-rent.

B.6 It is being assumed that only the Ground-rents due for the period after the fifth day of January of the year two thousand and twenty-four (05/01/2024) will be taken into account in establishing this valuation.

C) Definitions

“**Aerodrome Sites**” has the meaning given to it in the definition of the First Property made below.

“**Airfield**” means:

i) the site having an area of two million six hundred and seventy seven thousand eight hundred and ninety six square metres (2,677,896sq.m.), excluding the runway approach lights, bounded on the North East in part by the Terminal Building, on the North West in part by a public road leading to Hal-Farrug and on the South-East by a road within the Airport Complex and shown cross hatched in light blue on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J; excluded from the above is the underlying tunnel and underlying subsoil shown edged in yellow on the above mentioned plan marked Exhibit J annexed to the Deed of First Grant and having an area of approximately seventeen thousand two hundred and twenty seven square metres (17,227 sq. m.) bounded on all sides by Government property, which tunnel leads from Luqa to Zurrieq and Qrendi, of a height of approximately five point nine eight metres (5.98m) from the existing road surface level;

ii) the approach lights’ area shown cross hatched in light blue and marked number one (1) on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J, having an area of approximately two thousand four hundred and ninety two square metres (2,492 sq. m.) and bounded on the South West by a public road and all remaining sides by third party property;

iii) the approach lights’ area shown cross hatched in light blue and marked number two (2) on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J and having an area of approximately sixteen thousand seven hundred and seventy two square metres (16,772 sq. m.) and bounded on the South West and North East by third party property and on the North West by a public road leading to Birzebbuga; and

iv) the approach lights’ area shown cross hatched in light blue and marked number three (3) on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J, having an area of approximately two thousand three hundred and ninety eight square metres (2,398 sq. m.) and bounded on the North East by a public road and on all remaining compass points by third party property.

“**Airport Complex**” means the area comprising the Airfield and the First Property and the Second Property

“**Deed of First Grant**” means the public deed in the Records of Notary Vincent Miceli of the twenty sixth day of July of the year two thousand and two (26/7/2002) together with all the schedules, plans and other documents annexed thereto, by virtue of which *inter alia* the Government granted to MIA the First Property on temporary emphyteusis



for a period of sixty five (65) years commencing from the twenty sixth day of July of the year two thousand and two (26/7/2002).

“**Deeds of Grant**” means the Deed of First Grant and the Deed of Second Grant.

“**Deed of Second Grant**” means the public deed in the Records of Notary Diana Charles of the first day of July of the year two thousand and ten (1/7/2010) together with all the schedules, plans and other documents annexed thereto, by virtue of which *inter alia* the Government granted to MIA the Second Property on temporary emphyteusis for a period which commenced on the first day of July of the year two thousand and ten (1/7/2010) and ends on the twenty fifth day of July of the year two thousand and sixty seven (25/7/2067).

“**Discount rate**” means the pre-tax rate reflecting the market assessments at the date of the Valuation, of the time value of money; and the risks specific to the cash flows emanating from the temporary dominium directum of the First and Second Property.

“**Dominus**” means the pro tempore directus dominus of the Property or any part thereof and includes MIA qua dominus.

“**Emphyteuta**” means the pro tempore *utilista* of the Properties or of a Property in respect of that property and includes MIA qua Emphyteuta pursuant to the Deeds of Grant.

“**First Emphyteutical Grant**” means the temporary emphyteutical grant of the First Property made by the Government to MIA by virtue of the Deed of First Grant.

“**First Ground-rent**” means the annual temporary revisable ground-rent due in terms of the Deed of First Grant.

“**First Property**” means the immovable property granted on temporary emphyteusis by the Government to MIA by virtue of the Deed of First Grant, namely: the buildings, improvements and lands situated in the limits of Luqa, hereunder described and shown hatched or washed in blue on the plan PD259_2001, annexed to the Deed of First Grant as Exhibit J,.; which approximately measures one hundred seventy six thousand six hundred and seventy nine square metres (176,679sq.m.) as further described hereunder:

(a) the building known as the Malta International Airport, which building is without number and is accessible from various entrances which abut onto the parking area and private access roads mentioned in paragraph (b) hereunder and is also accessible from other entrances which abut directly onto the Airfield, bounded on the South West by the Airfield property of the Government or its successors in title, and on all other compass points by the parking area and private access roads mentioned in paragraph (b) hereunder, with all its rights and appurtenances, including the space above it, and everything on or over or under the surface, as shown washed in blue on an area marked area twelve (12) on the above mentioned plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail on the plan PD 259_2001_3 annexed to the Deed of First Grant as Exhibit J1 (in the Deed of First Grant, referred to as the “**Terminal Building**”); and

(b) the private car park, private access roads, gardens and open spaces, adjacent and contiguous to the Terminal Building, accessible from an unnumbered entrance which abuts onto Vjal I-Avjazzjoni, and all buildings and structures, all unnumbered and unnamed, situated therein, measuring altogether approximately one hundred seventy six thousand six hundred and seventy nine square metres (176,679sq.m., including the Terminal Building) and together bounded as one whole on the north east by Vjal I-Avjazzjoni, on the North West by a public road, Triq I-Ewwel Titjira, which connects Luqa to Kirkop and on the South East by a public road, Vjal I-Avjazzjoni, which connects Luqa to Birzebbugia and on the south west in part by the Terminal Building and in part by the Airfield property of the Government of Malta, with all their rights and appurtenances, including the space above them, and everything on or over or under the surface, as shown hatched in blue on an area marked twelve (12) on the above mentioned plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail on the plan PD 259_2001_3 annexed to the Deed of First Grant as Exhibit J1 (in the Deed of First Grant, referred to as the “**Terminal Land**”); and



(c) the hereunder described portions of land all situated on the perimeter of the Airfield with all their rights and appurtenances, including the space above them, and everything on or over or under the surface, namely:

i) a divided portion of land in Luqa having an area of approximately eighteen thousand three hundred and eighty nine square metres (18,389sq.m.) and bounded on the North by property of the Government, on the South by a passage and on the South West by a road within the Airport Complex; which is shown marked as area one (1) on the plan PD259_2001_1 to the Deed of First Grant as Exhibit J2;

ii) a divided portion of land in Luqa having an area of approximately one hundred and ten square metres (110sq.m.) and bounded on the North, South and West by property of the Government; which is shown marked as area five (5) on the plan PD259_2001_1 annexed to the Deed of First Grant as Exhibit J2;

iii) a divided portion of land in Luqa having an area of approximately thirteen thousand nine hundred square metres (13,900sq.m.) and bounded on the North by property of the Government, on the East by an unnamed road within the Airport Complex, on the West by another unnamed road within the Airport Complex; which is shown marked as Area Six (6) on the plan 259_2001 annexed to the Deed of First Grant as Exhibit J and on the plan 259_2001_1 annexed to the Deed of First Grant as Exhibit J2;

iv) a divided portion of land in Luqa having an area of approximately twelve thousand and thirty two square metres (12,032sq.m.) and bounded on the North by property of the Government, on the West by an unnamed road within the Airport Complex and on the South by a passage road; which is shown marked as area seven (7) on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J and on the plan PD259_2001_1 annexed to the Deed of First Grant as Exhibit J2;

v) a divided portion of land in Luqa having an area of approximately twelve thousand and forty four square metres (12,044sq.m.) and bounded on the North by an open public space, on the West by a passage road within the Airport Complex and on the South East by property of the Government; which is shown marked as Area Eight (8) on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J and on the plan 259_2001_2 annexed to the Deed of First Grant as Exhibit J3;

vi) a divided portion of land in Luqa having an area of approximately thirty two thousand six hundred and eleven square metres (32,611sq.m.) and bounded on the North by an open space within the Airport Complex, on the South and the South West by property of the Government; which is shown marked as Area fourteen (14) on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J and on plan PD259-2001-4 annexed to the Deed of First Grant as Exhibit J4;

vii) a divided portion of land in Luqa having an area of approximately fifty thousand three hundred and twelve square metres (50,312sq.m.) and bounded on the North by a passage road within the Airport Complex, on the East by a passage road within the Airport Complex and on the North West by property of the Government; which is shown marked as area seventeen (17) on the plan 259_2001 annexed to the Deed of First Grant as Exhibit J and on the plan 259_2001_4 annexed to the Deed of First Grant as Exhibit J4;

viii) a divided portion of land in Luqa having an area of approximately one hundred and thirty six thousand and six square metres (136,006sq.m.) and bounded on the North West by a public road, on the North East by an open space within the Airport Complex and on the South East by an open space within the Airport Complex; which is shown marked as area twenty (20) on the plan PD259_2001 annexed to the Deed of First Grant as Exhibit J and on plan 259_2001_5 annexed to the Deed of First Grant as Exhibit J5;

(in the Deed of First Grant, the sites described in the sub-paragraphs (i) to (viii), both sub-paragraphs included, of paragraph (c) of this definition of the First Property are collectively referred to as the “**Aerodrome Sites**”). The Aerodrome Sites are all accessible from the Airfield and on the Deed of First Grant the Government warranted and guaranteed access, both vehicular and pedestrian, for the duration of the emphyteutical grant, to and over the Airfield.



(d) the hereunder described portions of land and the improvements thereon with all their rights and appurtenances, including the space above them, and everything on or over or under the surface and all (except for the items described in paragraphs (i) and (ii) below) shown coloured in brown on the plan annexed to the Deed of First Grant as Exhibit J and as better described and defined in the plans hereunder mentioned, namely:

i) an underground Airfield Standby Generator Station situated in Qormi limits of TalHandaq hewn in the rock face, without number including the relative airspace, accessible from a public road without a name, bounded on the North, South and West by property of the Government and measuring approximately one thousand seven hundred and seventy six square metres (1,776sq.m.); which is shown edged in red on the plan PD259_2001_6 annexed to the Deed of First Grant as Exhibit K1;

ii) an Electrical Supply Intake Station, without number, accessible from property belonging to the Government which abuts onto Triq Hal-Farrug in Luqa, without its relative airspace but having a ventilation shaft, having an area of approximately one hundred and twenty square metres (120sq.m.) and bounded on the North-East by Triq id-Daqquqa Kahla, on the North-West and South-West by property of the Government; which is shown on the plan PD259_2001_7 annexed to the Deed of First Grant as Exhibit K2;

iii) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately forty seven point seven square metres (47.7sq.m.) and bounded on the East, South and West by another area granted to MIA under the Deed of First Grant (namely the above described Area Seventeen (17)); which is shown marked in brown and as HVDC "B-B" on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letters "B-B" on the plan PD259-2001-8 annexed to the Deed of First Grant as Exhibit K3;

iv) a High Voltage Distribution Centre at Luqa without number having an area of approximately one hundred and nineteen point zero four square metres (119.04sq.m.) and bounded on the North, the East and the West by another area granted to MIA under the Deed of First Grant (namely the above described Area One); which is shown marked in brown and as HVDC "H-H" on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letters "H-H" on the plan PD259_2001_9 annexed to the Deed of First Grant as Exhibit K4;

v) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately ninety eight point six square metres (98.6sq.m.) and bounded on the North, on the East and on the West by property of the Government; which is shown marked in brown and as HVDC "K" on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letter "K" on the plan PD259_2001_10 annexed to the Deed of First Grant as Exhibit K5;

vi) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately ninety three point four eight square metres (93.48sq.m.), accessible from the Airport Complex and bounded on the South, the East and the West by other property granted to MIA by virtue of the Deed of First Grant (namely the above described Area twenty (20)); which is shown marked in brown and as HVDC "U" on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letter "U" on the plan PD259_2001_11 annexed to the Deed of First Grant as Exhibit K6;

vii) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately eighty eight point eight square metres (88.8sq.m.) and bounded on the North, the East and West by property of the Government; which is shown marked in brown and as HVDC "C" on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letters "C" on the plan PD259_2001_12 annexed to the Deed of First Grant as Exhibit K7;

viii) a High Voltage Distribution Centre at Luqa without number having an area of approximately eighty four point three six square metres (84.36sq.m.) and bounded on the North, the East and the South by other property granted to MIA by virtue of the Deed of First Grant (namely the above described Area twenty (20)); which is shown marked in brown and as HVDC "V" on the plan annexed to the Deed of First Grant as Exhibit J and shown in more detail marked with the letter "V" on the plan PD259_2001_13 annexed to the Deed of First Grant as Exhibit K8;



ix) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately seventy five point six five square metres (75.65sq.m.), accessible from the Airport Complex and bounded on the North, South and East by property of the Government; which is shown marked in brown as HVDC “Y” on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letter “Y” on the plan PD259-2001-14 annexed to the Deed of First Grant and marked Exhibit K9;

x) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately one hundred and thirty three point nine seven square metres (133.97sq.m.) and bounded on the North, West and East by property of the Government; which is shown marked in brown as HVDC “W” on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letter “W” on plan PD259_2001_15 annexed to the Deed of First Grant as Exhibit K10;

xi) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately two hundred and thirty five point two square metres (235.2sq.m.) and bounded on the North East, South East and South West by another property granted to MIA by virtue of the Deed of First Grant (namely the above described Area twenty (20)); which is shown marked in brown as HVDC “J” on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letter “J” on plan PD259_2001_16 annexed to the Deed of First Grant and marked Exhibit K11;

xii) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately ninety four point eight eight square metres (94.88sq.m.) and bounded on the North East, South East and South West by property of the Government; which is shown marked in brown as HVDC “X” on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letter “X” on plan PD259_2001_17 annexed to the Deed of First Grant as Exhibit K12 twelve;

xiii) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately ninety point two three square metres (90.23sq.m.) and bounded on the North, West and East by property of the Government; which is shown marked in brown as HVDC “K-K” on the plan annexed to the Deed of First Grant as Exhibit J and also shown in more detail marked with the letters “K-K” on plan PD259_2001_18 annexed to the Deed of First Grant as Exhibit K13;

xiv) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately seventy five point two seven square metres (75.27sq.m.) and bounded on the North East, South East and South West by property of the Government; which is shown marked in brown as HVDC “G” on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter “G” on the plan PD259_2001_19 annexed to the Deed of First Grant as Exhibit K14;

xv) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately sixty four point seven five square metres (64.75sq.m.) and bounded on the South, the West and the East by another property granted to MIA by virtue of the Deed of First Grant (namely the above described Area seventeen (17)); which is shown marked in brown as HVDC “E-E” on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letters “E-E” on the plan PD259_2001_20 annexed to the Deed of First Grant as Exhibit K15;

xvi) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately eighty four point three six square metres (84.36sq.m.) and bounded on the North West, South East and North East by property of the Government; which is shown marked in brown as HVDC “R” on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter “R” on plan PD259-2001-21 annexed to the Deed of First Grant as Exhibit K16;

xvii) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately seventy eight point eight two square metres (78.82sq.m.) and bounded on the North, the South and West by another property granted to MIA by virtue of the Deed of First Grant (namely the above described Area seventeen (17)); which is shown marked in brown as HVDC “F” on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter “F” on plan PD259_2001_22 annexed to the Deed of First Grant as Exhibit K17;

xviii) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately one hundred and sixty four point seven seven square metres (164.77sq.m.) and bounded on the North West, South East and



South West by property of the Government; which is shown marked in brown as HVDC "H" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter "H" on plan PD259_2001_23 annexed to the Deed of First Grant as Exhibit K18;

xix) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately ninety six point five square metres (96.5sq. m.) and bounded on the North, the South and the West by another property granted to MIA by virtue of the Deed of First Grant (namely the above described Area seven (7)); which is shown marked in brown as HVDC "A" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter "A" on plan PD259_2001_24 annexed to the Deed of First Grant as Exhibit K19;

xx) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately one hundred and seven point five four square metres (107.54sq.m.) and bounded on the North, the South and the West by property of the Government; which is shown marked in brown as HVDC "S" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter "S" on plan PD259_2001_25 annexed to the Deed of First Grant as Exhibit K20;

xxi) a High Voltage Distribution Centre at Luqa (situated outside the Airport Complex), accessible from property in the possession of the Armed Forces of Malta, without number, having an area of approximately two hundred and twenty point five two square metres (220.52sq.m.) and bounded on the North East, the South West and the North West by property of the Government; which is shown marked in brown as HVDC "D" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter "D" on the plan PD259_2001_26 annexed to the Deed of First Grant as Exhibit K21;

xxii) a High Voltage Distribution Centre at Luqa (situated outside the Airport Complex), accessible from a road leading to Triq San Tumas, without number, having an area of approximately fifty six point three square metres (56.3sq.m.) and bounded on the South, the East and West by property of the Government; which is shown marked in brown as HVDC "B" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter "B" on the plan PD259_2001_27 annexed to the Deed of First Grant as Exhibit K22;

xxiii) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately twelve point five square metres (12.5sq.m.) and bounded on the South East, the North West and the North East by other property granted to MIA by virtue of the Deed of First Grant (namely the above described Area twelve (12)); which is shown marked in brown as HVDC "C" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter "C" on the plan PD259_2001_28 annexed to the Deed of First Grant as Exhibit K23;

xxiv) a High Voltage Distribution Centre at Luqa, without number, having an area of approximately sixty four point seven five square metres (64.75sq.m.) and bounded on the North, the South and on the East by another property granted to MIA by virtue of the Deed of First Grant (namely the above described Area sixteen (16)); which is shown marked in brown as HVDC "G-G" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letters "G-G" on the plan PD259_2001_29 annexed to the Deed of First Grant as Exhibit K24;

xxv) a High Voltage Distribution Centre at Luqa, without number, located outside the Airport Complex, accessible from Hal-Farrug Road, having an area of approximately one hundred and ninety one point six square metres (191.6sq. m.) and bounded on the North West by Triq Hal-Farrug, on the North East by property of the Government and on the South West by property of the Government; which is shown marked in brown as HVDC "L" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letter "L" on the plan PD259_2001_30 annexed to the Deed of First Grant as Exhibit K25;

xxvi) a High Voltage Distribution Centre at Luqa, without number, located outside the Airport Complex, accessible from an unnamed road within the industrial area, having an area of approximately eighty four point one nine square metres (84.19sq.m.) and bounded on the North West, the South East and on the North East by property of the Government; which is shown marked in brown as HVDC "J-J" on the plan annexed to the Deed of First Grant as Exhibit J and is also shown in more detail marked with the letters "J-J" on the plan PD259_2001_31 annexed to the



Deed of First Grant as Exhibit K26;

xxvii) the Feeder Pillar at Luqa marked as 'Feeder Pillar', without number, having an area of approximately two point five square metres (2.5sq.m.) and bounded on the North, East and West by property of the Government; which is shown hatched in blue on the plan PD259_2001_1 as annexed to the Deed of First Grant as Exhibit J2; and

xxviii) the Malta International Airport Common Engineering Test Point at Luqa, marked as 'MIA common engineering test point', without number, having an area of approximately sixteen square metres (16 sq.m.) and bounded on the North, East and West by property of the Government; which is shown hatched in blue on the plan PD259_2001_1 annexed to the Deed of First Grant as Exhibit J2;

(in the Deed of First Grant, the sites described in the sub-paragraphs (i) to (xxviii) both sub-paragraphs included, of paragraph (d) of this definition of the First Property are collectively referred to as the "**Other Sites**").

"**Government**" means the Government of Malta.

"**Ground-rents**" means the First Ground-rent and the Second Ground-rent collectively.

"**Malita**" means Malita Investments plc, a public limited liability company registered under the laws of Malta with company registration number C 53047 and with registered office at Clock Tower, Level 1, Tigne Point, Sliema, Malta;

"**MIA**" means Malta International Airport p.l.c., a public limited liability company with company registration number (C12663) and registered address at Malta International Airport, Luqa, Malta.

"**Other Sites**" has the meaning given to it in the definition of First Property made above.

"**Properties**" means the First Property and the Second Property.

"**Property**" means any one of the Properties or any part thereof.

"**Second Emphyteutical Grant**" means the temporary emphyteutical grant of the Second Property made by the Government to MIA by virtue of the Deed of Second Grant.

"**Second Property**" means the immovable property granted on temporary emphyteusis by the Government to MIA by virtue of the Deed of Second Grant, namely: the divided portion of land in the limits of Luqa having an area of around forty six thousand five hundred and seventy eight square metres (46,578sq.m.), bounded on all sides by property of the Government; which divided portion of land is marked as Park Four (4) on the plan P.D.259_2001_5_A annexed to the Deed of Second Grant as a document marked with the letter X and is also shown on the Survey Sheet annexed to the Deed of Second Grant as a document marked with the letter Y, which land is subject to all existing servitudes and utility services and is accessible from the Airfield. This land does not have direct access to a public road and is surrounded on the North East, North, North West, West, South West by part of the "**First Property**" and on the South, South East by a part of the airport runway.

"**Second Ground-rent**" means the annual temporary revisable ground-rent due in terms of the Deed of Second Grant.

"**Terminal Building**" has the meaning given to it in the definition of First Property made above.

"**Terminal Land**" has the meaning given to it in the definition of First Property made above.

"**Terminal Site**" means the Terminal Building and the Terminal Land collectively.



D) Basis of Valuation

The valuation of the temporary *dominium directum* of the First Property and the Second Property has been prepared with due consideration to the valuation Standards published by the Royal Institution of Chartered Surveyors (RICS). These are compliant with the Standards published by the International Valuation Standards Committee (IVSC). In the absence of comparable market transactions, the valuation is based on the open market value for existing use of the properties. The IVSC defines fair value as 'the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction'.

The fair value of the properties has been estimated based on the discounted cash flows arising from the temporary *dominium directum* of the First Property, the right to receive the First Ground-rent burdening the First Property, and the absolute freehold ownership of the First Property after the expiry or earlier termination of the First Emphyteutical Grant; and the temporary *dominium directum* of the Second Property, the right to receive the Second Ground-rent burdening the Second Property and the absolute freehold ownership of the Second Property after the expiry or earlier termination of the Second Emphyteutical Grant. In the valuation, it is assumed that the Dominus and Emphyteuta are separate and distinct parties and therefore no premium, which may arise from marrying the *dominium directum* and the freehold of the properties during the term of the Emphyteutical Grant has been considered.

The fair value of the properties has been calculated on the basis of the aggregate of:

D1) the nominal value of the remaining Ground rent receivable in respect of the site/s as at 31st December 2023, discounted to present value at the 'Discount Rate'; and

D2) the freehold value attributable to the site/s upon the expiry of the term of the *dominium directum*. The freehold value has been determined by compounding the aggregate of the estimated value of the original consideration originally received by Government on the Deed of Grant; and the capitalisation of the projected ground rent receivable subsequent to the expiry of the Deed of Grant, by:

a. the rate of inflation, as determined by the movement in the 'Retail Price Index' in the period between the date of the original emphyteutical grant of the site/s and 31st December 2023; and

b. the projected inflation in respect of the period commencing from 31st December 2023 and ending on the date of expiry of the emphyteutical grant of the site/s, which projected inflation rate is assumed at 2% per annum.

The Valuation also provides for a deduction to reflect an apportionment of the projected annual administrative costs to be expensed by the Company in the administration and collection of the gross amounts receivable from the site/s, discounted to present value as at 31st December 2023 at the Discount Rate.

In the Valuation, no adjustment has been made to reflect any liability to taxation that may arise on the Ground-rents, and other income receivable from the Transferred Property, gains that may be realized in a disposal, nor for any costs associated with such a disposal.

For the purpose of this Valuation, it is being assumed that the Emphyteuta are and will remain financially in a position to meet their obligations and honour the payments of Ground-rents and the other terms of the Deed of Grant until the end of the term.

Furthermore, in the Valuation, no account has been taken of the value of the buildings and improvements carried out on the Emphyteutical Land given that it is assumed that on expiry of the Deed of Grant, these will be beyond their economic useful life.

For the purpose of the Valuation, it is assumed that any information Malita has supplied to me in respect of the Transferred Property is both full and correct. Where I deemed necessary, I have obtained written representations from Malita and/or from other parties in order to support the assumptions on which the Valuation is based.



E) Current Use

The main use of the property/ies known as MIA is that of an international airport, the only airport in Malta, including all related amenities and services such as the passenger terminal, shops, restaurants, the runways, warehouses, hangars, parking areas, open landscaped areas, as well as an office building.

F) Age of Buildings

The main component of the "First Property" and "Second Property" is the Terminal Building which was constructed 31 years ago, having been inaugurated in February 1992.

G) Details of registered mortgages and privileges and other charges, real rights thereon including details of emphyteutical concessions, easements and other burdens

The payment of ground rent in respect of the First Property is secured by means of a special privilege over the First Property reserved by Malita, whereas payment of ground rent in respect of the Second Property is secured by means of a general hypothec granted by MIA over its property and a special privilege on the Second Property reserved by Malita.

H) Valuation

After having taken into consideration all the afore-mentioned facts and considerations, it is my considered opinion that the fair value of the temporary *dominium directum* of the First Property, the right to receive the First Ground-rent burdening the First Property, and the absolute freehold ownership of the First Property after the expiry or earlier termination of the First Emphyteutical Grant; and the temporary *dominium directum* of the Second Property, the right to receive the Second Ground-rent burdening the Second Property and the absolute freehold ownership of the Second Property after the expiry or earlier termination of the Second Emphyteutical Grant would be fifty-four million, nine hundred and ninety-nine thousand, four hundred and forty euro (54,999,440 euro).

I) Confidentiality and disclosure and publication

The contents of this report may be used only for the specific purpose to which they refer. Before this report, or any part thereof, is reproduced or referred to in any document and before its contents, or any part thereof, are disclosed orally or otherwise to a third party, the valuer's written approval as to the form and context of such publication or disclosure must first be obtained, but may not be unreasonably withheld or delayed in so far as it relates to the inclusion of the valuation in the Prospectus.

Perit Paul Camilleri



PAUL CAMILLERI & ASSOCIATES

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VALUATION REPORT OF PARLIAMENT BUILDING/ OPERA HOUSE SITE – CITY GATE ENTRANCE/ TRIQ IR-REPUBBLIKA, VALLETTA

05th. January 2024

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(A) Scope of Valuation

The undersigned has been requested to prepare a valuation report of the property, land and buildings which are existing, and which have been constructed on the afore-captioned site. The sites subject of this valuation are: (a) First Property Site (b) Open Air Theatre (c) Parliament Building (d) Public Area and (d) Second Property Site, which form part of this valuation report.

I understand that this valuation is required for the purpose of inclusion in the Prospectus in connection with the proposed rights issue by Malita Investments p.l.c. (C 53047) (the "Company") and has been drawn up in accordance with the requirements of Chapter 7 of the 'Capital Markets Rules published by the Malta Financial Services Authority.

A.1 Status of valuer and compliance

I confirm that the undersigned complies with the requirements of independence and objectivity set out in the RICS standards and guidelines and that the undersigned has no conflict of interest in valuing the Properties. This valuation has been taken by the undersigned in the capacity of external valuer.

A.2 Basis of valuation

Generally, the Property have been valued on the basis of Market Value as set out in VS 3.2 of the Red Book which is defined as:

'The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.'

A.3 Assumptions and sources of information

An assumption is stated in the glossary to the Red Book to be a 'supposition taken to be true' ('Assumption'). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuation, we have made a number of Assumptions and have relied on certain sources of information; and namely (a) information derived from the contracts related to the property in question as provided by Malita Investments p.l.c. and (b) cash flow, ground rent quantum, discount rates and other information of a similar nature as provided by Malita Investments Plc./PricewaterhouseCoopers. In the event that any of these Assumptions prove to be inaccurate or incorrect then our valuation should be reviewed.

The Assumptions we have made for the purposes of our valuation are referred to below:

a) Areas

We have not measured the Property and neither have we undertaken the measurement of any land sites. As instructed, we have relied solely upon the information provided, which we have assumed to be full and correct.

b) Condition

We have not carried out building surveys of the existing structures located on the Property and neither have we tested the drainage or service installations in the buildings as this was outside the scope of our instructions.



We have not been provided with any structural and/or services surveys or environmental reports and therefore, where we have assumed the continuing use of an existing building, we have made an assumption that the buildings are structurally sound, free from any defects, free from any rot, infestation, adverse toxic chemical treatments or other design defects that may adversely impact on their future use.

Due regard has been paid to the apparent state of repair and condition of the existing buildings, but condition surveys have not been undertaken, nor have other parts of the structures which are covered, unexposed or inaccessible, been inspected.

As seen, we have made an Assumption that the existing buildings are free from any rot, infestation, adverse toxic chemical treatments, and structural or design defects.

We have not arranged for investigations to be made to determine whether high alumina cement concrete, calcium chloride additive or any other deleterious materials have been used in the construction or any alterations, and therefore we cannot confirm that the existing buildings are free from risk in this regard. For the purpose of this valuation, we have made an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

We have carried out cursory inspection of the buildings during site visits carried out in November 2023.

c) Legal and planning

We have not been provided with any formal reports on title or legal due diligence in respect of the Property prepared by lawyers. We have however, been provided with copies of the respective contracts.

We do not normally read leases or title documents. The interpretation of the legal documents/ disputes is a matter for lawyers and as such we accept no responsibility or liability for the true interpretations of the legal position.

d) Infringement of Statutory Requirements

We have been informed by the Company, that there have been no infringements of statutory requirements in respect of the Property.

e) Intra Group Leases

Given that the company does not form part of a group of companies, it has been confirmed that the Property is not subject to any intra-group lease that otherwise would have to be included in the respective report.

f) Building permits

Information regarding building permits for the existing buildings and structures that exist within the Property have been included as appendices.

g) Environmental matters

We have not been instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated.



Should it be established that contamination does exist, this might reduce the value now reported. We have no basis to assess the reasonableness of this Assumption. If it were to prove invalid then the value would fall by an unspecified amount. We have therefore made no allowance in our valuation for any effect in respect of actual or potential contamination in the land or buildings.

h) Lettings

We have not been provided with copies of all the individual sub-lease contracts and we have therefore relied upon information provided by and utilised by Malita Investments Plc./PricewaterhouseCoopers in respect of all tenancy information, rents, lease terms etc.

We have assumed that this information is up to date and correct, and should this Assumption prove invalid then our opinion of value may fall by an unspecified amount.

i) Taxation and costs

We have not made any adjustments to reflect any liability to taxation that may arise on disposals, nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, or taxation allowance that may arise on disposals.

j) Information

We have made an assumption that the information provided to us is both full and correct, and have relied on the following sources of information:

- Malita Investments p.l.c.
- Contracts published by Dr Tania Spiteri, (Notary Public in the Government Property Division)
- PricewaterhouseCoopers
- Architecture Project drawings
- Planning Authority

It follows that we have made an Assumption that details of all matters likely to affect value within their collective knowledge have been made available to us and that the information is up to date.

k) Valuation

By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. Although our conclusions are in our opinion reasonable and defensible, others might wish to argue for different values.

Our general assumptions and definitions are included as an intrinsic part of the valuation report. Furthermore, the basis of the valuation is that derived from the 'Income Approach' method. For this reason we have been assisted in carrying out this valuation by Malita Investments Plc./PricewaterhouseCoopers. Their assumptions and definitions:

- The dominus and emphyteuta are assumed to be separate and distinct parties and therefore no premium, which may arise from marrying the dominium directum and the freehold of the properties during the term of the emphyteutical grants has been considered.



- In the Valuation, no adjustment has been made to reflect any liability to taxation that may arise on the ground-rents, and other income receivable from the Sites, gains that may be realised in a disposal, nor any costs associated with such a disposal.
- The valuation provide for a deduction to reflect an apportionment of the projected annual administrative costs to be expensed by the Company in the administration and collection of the gross amounts receivable from the Site, discounted to present value at the discount rate.
- In the Valuation, no account has been taken of the value of the buildings and improvements carried out on the Site given that it is assumed that on expiry of the deeds of grants, these will be beyond their economic useful life.

(B) The lease agreements and the rent

Parliament

The Parliament site and buildings constructed thereon were granted on lease for a period of twenty (20) years by virtue of a deed dated the 26th. June 2012 in consideration of an annual payment by the lessee of three million, six hundred and eighty thousand Euro (€3,680,000.00). This rent was subject to a first review on the 1st. January 2016, following which rent reviews will be carried out on each third (3rd.) anniversary thereafter throughout the term.

The term will be automatically renewed unless either party serves a written notice of non-renewal to the other party by not later than 3 calendar years prior to the expiry of the Original Term).

An addendum to the original contract was signed on 20th. April 2017 whereby as from 1st. June 2017, an additional rent of seven hundred and fifty thousand Euro (€750,000.00) per annum would be paid.

Rent is reviewed every 3 years and is increased by the same rate by which the Index of Inflation (RPI) has increased over the period. In terms of the lease agreement pertaining to the Parliament site, the lessee is obliged to repair, maintain, cleanse, replace, renew and reinstate the property to the satisfaction of the lessor and irrespective of the cause of the damage or deterioration necessitating such repair provided that the lessor is obliged to carry out work of a structural nature to any part of the structure of the premises other than those parts comprising internal surfacing and rendering, any external front glass, conduits which serve the premises exclusively and all fixtures and fittings.

The Parliament Site may only be used by the Government of Malta to (i) house the House of Representatives' debating chamber, its administrative and support offices, offices of the Speaker and the members of the House of Representatives; and (ii) any other use which is necessary for the proper functioning of the House of Representatives; and (iii) any other commercial use allowed by MEPA if the Parliament Building is no longer required by the Government of Malta for the aforesaid uses.

Open Air Theatre

The Open-Air Theatre site and buildings were granted on lease for a period of thirty (30) years by virtue of a deed dated the 26th. June 2012 in consideration of an annual payment by the lessee of one million, five hundred and fifty thousand Euro (€1,550,000.00). This rent was subject to a first review on the 1st. January 2016, following which rent reviews will be carried out on each third (3rd.) anniversary thereafter throughout the term.

The term will be automatically renewed unless either party serves a written notice of non-renewal to the other party by not later than 3 calendar years prior to the expiry of the Original Term).

Rent is reviewed every 3 years and is increased by the same rate by which the Index of Inflation (RPI) has increased over the period.



In terms of the lease agreement pertaining to the Parliament Building, the lessee is obliged to repair, maintain, cleanse, replace, renew and reinstate the property to the satisfaction of the lessor and irrespective of the cause of the damage or deterioration necessitating such repair provided that the lessor is obliged to carry out work of a structural nature to any part of the structure of the premises other than those parts comprising internal surfacing and rendering, any external front glass, conduits which serve the premises exclusively and all fixtures and fittings. The Open-Air Theatre site may only be used as (i) a piazza and performing space with supporting facilities; and (ii) any other commercial use allowed by MEPA, if for any reason the aforesaid use as a piazza and performing space with supporting facilities shall not remain commercially viable.

General

In both cases, in case of termination, dissolution or rescission of the lease/s, the Government of Malta is to pay the Company a multiple of the annual rent, as per the table below:

Year of termination, rescission or dissolution of lease	Multiple of rent
2013 - 2018	9.25
2019 - 2024	8.25
2025 - 2030	6.00
2031 - 2032	2.50

Current rent

Based on the foregoing lease agreements, the current net annual rent payable to the Company (to be invoiced in 2024) for the Parliament building is five million, six thousand, six hundred and four Euro and seventy-eight cents (€5,006,604.78). The net annual rent and the estimated net annual rent (based on its current open market rental value) do not materially differ.

Based on the foregoing lease agreements, the current net annual rent payable to the Company (to be invoiced in 2024) for the Open Air Theatre building is one million, seven hundred and eighty-seven thousand, eight hundred and ninety-five Euro (€1,787,895.00). The net annual rent and the estimated net annual rent (based on its current open market rental value) do not materially differ.

As such the current combined net annual rent payable to the Company (to be invoiced in 2024) is six million, seven hundred and ninety-four thousand, four hundred and ninety-nine Euro and seventy-eight cents (€6,794,499.78). The net annual rent and the estimated net annual rent (based on its current open market rental value) do not materially differ.

(C) Definitions

“**First Property Site**” means the site on various levels in Triq ir-Repubblika in Valletta and also accessible at the lowest level from the Great Ditch, consisting of:



(a) the divided portion of land which used to form part of Misrah Il-Helsien in Valletta, which at road level measures approximately two thousand one hundred and sixty one square metres (2161sq.m.), bounded on the North West by the remainder of Misrah Il-Helsien which shall be incorporated into Triq ir-Repubblika, on the North East by Triq L-Ordinanza, on the South West by the remainder of Misrah Il-Helsien which shall be formed into a passage between the Parliament Building and a public stairway and on the South East by the remainder of Misrah Il- Helsien which shall be formed into a passage between the Parliament Building and Saint James Cavalier, as shown outlined in red on the plan marked P.D. No: 2011_937_2 attached to this valuation report (which plan includes a survey sheet), with all its rights and appurtenances including it overlying airspace and its sub-terrain which in part includes part of the site described in paragraph (b) below but does not include any underlying existing tunnels not expressly mentioned in the deed of lease pertaining to the First Property Site;

(b) the divided portion of land which in part directly underlies the site described in paragraph (a) above and forms part of the sub-terrain of Misrah Il-Helsien in Valletta, which at level forty two point seven three metres (42.73m) above Datum measures approximately one thousand seven hundred and sixty three square metres (1763sq.m.) and which extends upwards to the level of approximately forty seven point one five metres (47.15m) above Datum but not above the surface of the existing roads, bounded on the North West by the remainder of the sub-terrain of Misrah Il-Helsien, on the North East by the sub-terrain of Triq L-Ordinanza, on the South West by the sub- terrain of Misrah Il-Helsin and on the South East by Saint James Cavalier, as shown outlined in red on the plan marked P.D. No: 2011_937_1 attached to this valuation report (which plan includes a survey sheet), with all its rights and appurtenances including its sub-terrain which in part includes part of the tunnel described in paragraph (c) below but does not include any underlying existing tunnels which are not expressly mentioned in the deed of lease pertaining to the First Property Site;

(c) a divided part of what used to be the old railway station and more recently part of the garage known as the "Yellow Garage", accessible from an unnumbered entrance in the Great Ditch in Valletta and extends under part of Triq il-Papa Piju V, part of Misrah il-Helsien, part of Triq L-Ordinanza and part of the Second Property Site, which divided part measures approximately one thousand one hundred and sixty six square metres (1166sq.m.) and is bounded on the South West by the remainder of the aforesaid tunnel which abuts onto the Great Ditch and on all other compass points by rock property of the Government save to the extent that this rock forms part of the sub-terrain of the sites described in paragraphs (a) and (b) above or of the Second Property Site, as shown outlined in red on the plan marked P.D. No: 2011_937 attached to this valuation report (which plan includes a survey sheet), with all its rights and appurtenances including its sub-terrain but does not include any underlying existing tunnels which are not expressly mentioned in the deed of lease pertaining to the First Property Site;

(d) the divided portion of land forming part of the arcades adjacent to Misrah Il-Helsien in Valletta which used to underlie Triq il-Papa Piju V, bounded on the East and North West by the remainder of Misrah Il-Helsien, on the South West by the bastions, as shown outlined in red on the plan marked P.D. No: 2011_937_2 attached to this valuation report (which plan includes a survey sheet), which divided portion of land at road level measures approximately two hundred and seventy five square metres (275sq.m.) and extends upwards from the point marked (i) to the point marked (ii) on the aforesaid plan, up to forty nine point eight metres above Datum at the point marked (i) and up to fifty five point five metres above Datum at the point marked (ii), with all its rights and appurtenances including its sub-terrain which in part includes part of the tunnel described in paragraph (c) below but does not include any underlying existing tunnels which are not expressly mentioned in the deed of lease pertaining to the First Property Site.



“**Open Air Theatre**” means the building without name or number in Triq ir-Repubblika in Valletta, as shown on the applicable Approved Plans and completed in accordance with the applicable Approved Plans and the applicable Specifications, on the Second Property Site and has the same boundaries given below for the Second Property Site; the location of the Open Air Theatre is shown marked in green on the plan attached to this valuation report.

“**Parliament Building**” means the building without name or number in Triq ir-Repubblika in Valletta, as shown on the applicable Approved Plans and completed in accordance with the applicable Approved Plans and the applicable Specifications, which building is in the course of construction on the First Property Site and has the same boundaries given above for the First Property Site; the location of the Parliament Building is shown marked in blue on the plan attached to this valuation report.

“**Public Areas**” means the part of the road level of the First Property Site, shown shaded in yellow on the plan attached to this valuation report, measuring approximately one thousand and fifty square metres (1050sq.m.) and bounded on the North West by the remainder of Misrah Il-Helsien which shall be incorporated into Triq ir-Repubblika, on the North East by Triq L-Ordinanza, on the South West by the remainder of Misrah Il-Helsien which shall be formed into a passage between the Parliament Building and a public stairway and on the East by the remainder of Misrah Il-Helsien which shall be formed into a passage between the Parliament Building and Saint James Cavalier and on all other sites by the remainder of the First Property Site at road level.

“**Second Property Site**” means the site situated in Valletta, which at basement level, namely at level forty three metres (43m) above Datum has an area of approximately three thousand two hundred and eighty nine square metres (3,289sq.m.), as shown outlined in red on the plan marked P.D. No: 2011_937_3 attached to this valuation report (which plan includes a survey sheet), bounded on the North West by Triq ir-Repubblika, on the North East in part by Triq Nofs-in-Nhar and in part by property of the Government or of its successors in title and on the South West by Triq L-Ordinanza; this site extends downwards *ad infinitum* from the level starting at forty three metres (43m) above Datum, but does not include the underlying tunnel which formed part of the old railway station and in more recent times of the garage known as the “Yellow Garage” (which tunnel is described as part of the First Property) or any other underlying existing tunnels not expressly mentioned in this deed; this site extends upwards from the level starting at forty three metres (43m) above Datum to the level of the property described in paragraph (b) below and up to the level of the roads surrounding the site and above these level extends upwards only to the extent mentioned hereunder for the respective parts described hereunder and consists of:

(a) the existing ruins of the Royal Opera House, without number, situated in Triq ir-Repubblika in Valletta corner with Triq Nofs-in-Nhar and Triq L-Ordinanza, bounded on the North West by Triq ir-Repubblika, on the North East by Triq Nofs-in-Nhar, on the South West by Triq L-Ordinanza and on the South East by Triq il-Vitorja, having an area at ground-floor level of approximately one thousand nine hundred and ninety four square metres (1994sq.m.), as shown marked with the letter “A” and outlined in red on the plan marked P.D. No: 2011_937_4_A attached to this valuation report (which plan includes a survey sheet), with all its rights and appurtenances including its overlying airspace from ground-floor level upwards *ad infinitum* and its sub-terrain but does not include the underlying tunnel which formed part of the old railway station and in more recent times of the garage known as the “Yellow Garage” which forms part of the First Property Site or any other underlying existing tunnels not expressly mentioned;

(b) the divided portion of land in Valletta which underlies part of Triq il-Vitorja, part of the open space situated on the South East of Triq il-Vitorja, the site formerly occupied by the Bank of Valletta building and by the Valletta Police Station and part of Triq Nofs-in-Nhar, which divided portion of land is bounded on the North West by the Royal Opera House, on the South West by the property described in paragraph (c) below and on



the South East by the sub-terrain underlying the open space known as Il-Foss Tas-Sur, measuring approximately eight hundred and seventy three square metres (873 sq.m.), as shown outlined in red and marked with red transversal lines on the plan marked P.D. No: 2011_937_4_A attached to this valuation report (which plan includes a survey sheet), which site extends upwards to immediately below the existing overlying roads and open space and includes its sub-terrain but does not include the underlying tunnel which formed part of the old railway station and in more recent times of the garage known as the “Yellow Garage” which forms part of the First Property Site or any other underlying existing tunnels not expressly mentioned, with all its rights and appurtenances;

(c) the ground-floor tenement without official number in Triq il-Vittorja, Valletta, with all its rights and appurtenances including its sub-terrain, bounded on the North West by Triq il-Vittorja, on the North East by Il-Foss Tas-Sur and on the South East by the remainder of Casa Lanfreducci also known as Casa Gerolamo Cassar; which ground-floor tenement forms part of Casa Lanfreducci and underlies the other part of Casa Lanfreducci which is situated at first floor level and has its independent access from Il-Foss Tas-Sur, which ground-floor tenement is shown marked with the letter “B” and outlined in red on the plan marked P.D. No: 2011_937_4_A attached to this valuation report (which plan includes a survey sheet);

(d) the site in Triq San Zakkarija in Valletta measuring approximately one hundred and sixty four square metres (164sq.m.), bounded on the North West by Triq San Zakkarija and on all other compass points by property of the Government or its successors in title, as shown marked with the letter “C” and outlined in red on the plan marked P.D. No: 2011_937_4_A attached to this valuation report (which plan includes a survey sheet), with all its rights and appurtenances including its overlying airspace and its sub-terrain as subject to the easement of overlooking windows appertaining to the adjacent properties; which sites and properties are interconnected to each other at basement level as shown outlined in red on the above mentioned plan marked P.D. No: 2011_937_3 attached to this valuation report.

(B) Project description

The redevelopment of the entrance into Valletta, designed by Renzo Piano Building Workshop, formed part of the regeneration of the area and entailed a number of interventions of a different nature and scale. These included excavation and demolition works, the construction of new buildings, the restoration of old structures and their rehabilitation to accommodate new uses, landscaping works including the paving of streets and piazzas and planting of vegetation, the renewal of existing service networks including drainage, telephony, communications, water and electricity and the introduction of new services, the provision of underground installations for heat exchange and passive climate control of the buildings and urban lighting for the public areas.

The Project can be divided into five main areas, each with its specific character and function, and namely (a) The Great Ditch and Bridge (b) City Gate (c) Parliament Building (d) Opera House Site and (e) Streetscape; the general descriptions of which being:

The Great Ditch and the Bridge

This area is the interface between the development inside the city walls and the area outside the walls, the Bus Terminus in particular. It is the intermediary space that marks the threshold to the city and includes the ditch stretching between St. James Counterguard and St. James Counterguard, which is landscaped, planted and rehabilitated for recreational and cultural activities. It also included the City Gate Bridge which had its accretions removed and the profile and structure of the original seventeenth century bridge restored. The original masonry fabric was also cleaned and restored. The ditch included the Railway Bridge which had its accretions removed and the original late nineteenth century bridge restored.



City Gate

The gate to the City of Valletta has undergone a number of transformations during its history, from a small breach in the defensive fortifications which amounted to little more than a 'sally port', a ceremonial seventeenth century entrance, to the recently demolished structure which was built in the nineteen-sixties. Each successive transformation, regardless of its visual aspect, was a clear interpretation of the needs, aspirations and mentality prevalent at the time and the new proposals continue in this approach.

The City Gate works involved the demolition of the existing Sixties structure and the re-building of a new gate using a reinterpretation of traditional masonry construction with the introduction of new steel elements. The new gate is a breach, eight metres wide. The fundamental element is that the gate has become open to the sky. The Queensway vehicular crossing above was eliminated and two large and gently sloped stairs, lead from both St. James and St. John's Cavaliers down to Republic Street. The void under the St James Stairs will house a series of plant rooms required by the Parliament Building.

The curtain wall adjacent to the City Gate Bridge included the installation of a panoramic lift that shall provide a vertical link between ditch level and Republic Street. The ramp at ditch level leading to the current staircase which gives access to Republic Street was demolished, together with the staircase. A new staircase leading to the small tunnel exit was constructed, as well as a staircase in the new Gate to Republic Street.

Parliament Building

The Parliament Building is sited on the area currently known as Freedom Square, thus respecting the historic street alignment of the City. The construction distanced itself from St. James Cavalier.

The Parliament Building itself is made up of two massive volumes clad in stone, supported on *pilotis* that recede from the façade so as to create an impression of suspension in air. The East block, closest to the Royal Opera House site, houses mainly the Debating Chamber and the West block houses all administrative and support offices, offices for Members of Parliament, the Speaker of the House, the Prime Minister, the Ministers, and the Leader of the Opposition. The two volumes are separated by a central courtyard, which leads to the main entrance of the building. This court is shaped in such a way as to allow progressive views through it from the street towards St. James Cavalier.

Some activities related to the business of Parliament, are housed in the basement level, open to a planted sunken court located at this lower level that is well protected from the direct impact of the sun. The Old Railway tunnel itself is connected to the sunken garden in such a way as to make this otherwise unusable but historic subterranean structure amenable for public use whilst preserving the authenticity and legibility of the original structure. The tunnel was restored, rehabilitated and connected with the new building, housing a plant room at the inner end and the Parliament archives and Café at the ditch end.

One of the most important concepts from which the building derives its functionality is that regarding energy. It is assumed that through the stable temperature of the immense mass of rock below, enough energy can be recovered to heat and cool the building. The introduction of a system of heat pumps should avoid the necessity of external cooling towers or additional boilers. It is intended that this building is a zero carbon (CO₂) emission building whose energy will be recovered by heat exchange with the underlying rock.



The Opera House Site

This part of the project included the re-use of the existing ruins of the Royal Opera House and the building of an open-air theatre seating up to 1000 persons inside the ruins. The project envisaged the preservation of all the existing masonry and the re-use of some of the still existing fragments and remains that are scattered in various locations around Malta. A new very light skin or façade defines the space, supported by a surrounding alignment of steel masts and columns. These carry moveable walls, lighting systems, acoustic and sound equipment, and shall give the space its specific identity during performances. On the other hand, when the Theatre is not in use, the site works as an open piazza with a shallow stepped seating deck, totally accessible and offering views towards Auberge de Castille, the Churches of Santa Caterina d'Italia and Our Lady of Victories together with St. James Cavalier.

This open-air performance space was equipped with adequate systems of modern communication, light projection and controlled, directive electro-acoustic sound systems, with a view to offering to many art groups a place to perform. This concept, which distances itself from the traditional opera circuit, is envisaged with much smaller backstage areas. It therefore houses the backstage facilities, including dressing rooms, green rooms and similar spaces, in newly constructed underground spaces within in the site currently occupied by Victory Street, the Valletta Police Station and the ex BOV offices. The demolition of these post-war buildings formed part of this phase of the project, as well as the restoration of the newly exposed façade of the Auberge d'Italie and the reinstatement of the sixteenth century *piazzetta*. The main entrance to the backstage facilities is via the Ground floor of the Case Lanfreducci on Victory Street where the Ground floor of this historic property houses the VIP changing rooms and other facilities.

Streetscape

The project site also included the front portion of Republic Street, part of South Street, part of Ordinance Street and Victory Street. These areas were pedestrianised and repaved with local hardstone paving, in line with on-going Government pedestrianisation schemes in the vicinity.

Completion Date of the Opera House and the Parliament Building

The certificate of completion of the Opera House site was issued in 2013 and that of the Parliament Building in 2019.

(D) Basis of Valuation

This Valuation has been prepared with due consideration to the valuation Standards published by the Royal Institution of Chartered Surveyors (RICS). These are compliant with the Standards published by the International Valuation Standards Committee (IVSC). In the absence of comparable market transactions, the Valuation is based on the open market value for existing use of the properties. The IVSC defines fair value as 'the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction'.

The fair value of the properties has been calculated on the following basis:

The net present value of the cash flows from the Opera House and the Parliament Building over the period 2023 - 2077, all discounted at 6.6% are as follows:

- Lease income of €5,975,211.00 annually, which increases by 6.74% inflation every 3 years (the 6.74% represents the current past 5 year average of inflation, as reported by the NSO Retail Price Index) .
- Additional income of €847,000.00 annually, for the additional parliament lease, which also increases at the 6.74% inflation every 3 years
- Deduction for ground rent payable of €123,000.00 annually



- Deduction for refurbishment costs to be paid over the years 2031-2033, of €1,400,000.00 per year, and again in 2051-2053, of €2,100,000.00, €3,200,000.00 in 2071 and €4,300,000.00 in 2077
- Deduction for collection expenses of €51,000.00 per annum, increasing by assumed long-term inflation rate of 2% per annum

The freehold value attributable to the site/s upon the expiry of the term/s. The freehold value has been determined by compounding the aggregate of the estimated value of the original consideration originally received by Government on the Deed/s of Grant; and the capitalisation of the projected rent receivable subsequent to the expiry of the Deed of Grant, by:

- The rate of inflation, as determined by the movement in the 'Retail Price Index' in the period between the date of the original grant of the site/s and 31st December 2023; and
- The projected inflation in respect of the period commencing from 31st December 2023 and ending on the date of expiry of the grant of the site/s, which projected inflation rate is assumed at 2% per annum.

The Valuation assumes for a deduction to reflect an apportionment of the projected annual administrative costs to be expensed by the Company in the administration and collection of the gross amounts receivable from the site/s, discounted to present value as at 31st December 2023 at the Discount Rate.

For the purpose of this Valuation, it is being assumed that the lessees are and will remain financially in a position to meet their obligations and honour the payments of Ground-rents and the other terms of the Deed of Grant until the end of the term.

Furthermore, in the Valuation, no account has been taken of the value of the buildings and improvements carried out on the Site/s given that it is assumed that on expiry of the Deed/s of Grant, these will be beyond their economic useful life.

(E) Valuation

Based on the afore-mentioned two lines of assessment, it is considered that a fair estimate of the free market value of the Parliament Building and Opera House site as at the date of this Valuations one hundred and thirty-nine million, four hundred and ninety-six thousand, nine hundred and sixty-seven Euro (€139,496,967.00).

(F) Details of registered mortgages and privileges and other charges, real rights thereon including details of emphyteutical concessions, easements and other burdens

The Government of Malta has reserved in its favour a special privilege over the Open-Air Theatre and the Parliament Building as security for the payment of the ground-rent and the proper performance of all the obligations arising from the emphyteutical deed.

The Company's rights under the emphyteutical deed and each of the lease agreements, were assigned in favour of the European Investment Bank (the "EIB") by way of security in accordance with a security by title transfer deed dated 27 September 2012. The collateral granted in terms of the said deed secures the Company's liabilities due to the EIB in terms of two finance contracts entered into on 25 June 2012 by virtue of which, the EIB granted the Company credit facilities of up to €40,000,000 in connection with the development of the Parliament Building and the Open-Air Theatre.



(G) Confidentiality and disclosure and publication

The contents of this report may be used only for the specific purpose to which they refer. Before this report, or any part thereof, is reproduced or referred to in any document and before its contents, or any part thereof, are disclosed orally or otherwise to a third party, the valuer's written approval as to the form and context of such publication or disclosure must first be obtained, but may not be unreasonably withheld or delayed in so far as it relates to the inclusion of the valuation in the Prospectus.

Perit Paul Camilleri



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Valuation of the Temporary Dominium Directum and the Absolute Freehold Ownership of the Properties underlying the Original Emphyteutical Grant to Valletta Cruise Port plc

05th. January 2024

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(A) Scope of Valuation

The scope of this valuation is that of assessing the value of the temporary dominium directum of the Property described here-under for the period which remains from the term of sixty five (65) years commencing from the twenty second day of November of the year two thousand and one (22/11/2001), the right to receive the Ground-rent, and the absolute freehold ownership of the Properties underlying the Original Emphyteutical Grant to Valletta Cruise Port PLC ("VCP") after the expiry or earlier termination of the Emphyteutical Grant, as at 30th. November 2023.

I understand that this valuation is required for the purpose of inclusion in the Prospectus in connection with the proposed rights issue by Malita Investments p.l.c. (C 53047) and has been drawn up in accordance with the requirements of Chapter 7 of the Capital Markets Rules published by the Malta Financial Services Authority.

A.1 Status of valuer and compliance

I confirm that the undersigned complies with the requirements of independence and objectivity set out in the RICS standards and guidelines and that the undersigned has no conflict of interest in valuing the Properties. This valuation has been taken by the undersigned in the capacity of external valuer.

A.2 Basis of valuation

Generally, the Property have been valued on the basis of Market Value as set out in VS 3.2 of the Red Book which is defined as:

'The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.'

A.3 Assumptions and sources of information

An assumption is stated in the glossary to the Red Book to be a 'supposition taken to be true' ('Assumption'). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuation, we have made a number of Assumptions and have relied on certain sources of information; and namely (a) information derived from the contracts related to the property in question as provided by Malita Investments p.l.c. and (b) cash flow, ground rent quantum, discount rates and other information of a similar nature as provided by Malita Investments Plc./PricewaterhouseCoopers. In the event that any of these Assumptions prove to be inaccurate or incorrect then our valuation should be reviewed.

The Assumptions we have made for the purposes of our valuation are referred to below:

a) Areas

We have not measured the Property and neither have we undertaken the measurement of any land sites. As instructed, we have relied solely upon the information provided, which we have assumed to be full and correct.



b) Condition

We have not carried out building surveys of the existing structures located on the Property and neither have we tested the drainage or service installations in the buildings as this was outside the scope of our instructions.

We have not been provided with any structural and/ or services surveys or environmental reports and therefore, where we have assumed the continuing use of an existing building, we have made an assumption that the buildings are structurally sound, free from any defects, free from any rot, infestation, adverse toxic chemical treatments or other design defects that may adversely impact on their future use.

Due regard has been paid to the apparent state of repair and condition of the existing buildings, but condition surveys have not been undertaken, nor have other parts of the structures which are covered, unexposed or inaccessible, been inspected.

As seen, we have made an Assumption that the existing buildings are free from any rot, infestation, adverse toxic chemical treatments, and structural or design defects.

We have not arranged for investigations to be made to determine whether high alumina cement concrete, calcium chloride additive or any other deleterious materials have been used in the construction or any alterations, and therefore we cannot confirm that the existing buildings are free from risk in this regard. For the purpose of this valuation, we have made an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

We have carried out cursory inspection of the buildings during site visits carried out in November 2023.

c) Legal and planning

We have not been provided with any formal reports on title or legal due diligence in respect of the Property prepared by lawyers. We have however, been provided with copies of the respective contracts.

We do not normally read leases or title documents. The interpretation of the legal documents/ disputes is a matter for lawyers and as such we accept no responsibility or liability for the true interpretations of the legal position.

d) Infringement of Statutory Requirements

We have been informed by the Company, that there have been no infringements of statutory requirements in respect of the Property.

e) Intra Group Leases

Given that the company does not form part of a group of companies, it has been confirmed that the Property is not subject to any intra-group lease that otherwise would have to be included in the respective report.

f) Building permits

Information regarding building permits for the existing buildings and structures that exist within the Property have been included as appendices.



g) Environmental matters

We have not been instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated.

Should it be established that contamination does exist, this might reduce the value now reported. We have no basis to assess the reasonableness of this Assumption. If it were to prove invalid then the value would fall by an unspecified amount. We have therefore made no allowance in our valuation for any effect in respect of actual or potential contamination in the land or buildings.

h) Lettings

We have not been provided with copies of all the individual sub-lease contracts and we have therefore relied upon information provided by and utilised by Malita Investments Plc./PricewaterhouseCoopers in respect of all tenancy information, rents, lease terms etc.

We have assumed that this information is up to date and correct, and should this Assumption prove invalid then our opinion of value may fall by an unspecified amount.

i) Taxation and costs

We have not made any adjustments to reflect any liability to taxation that may arise on disposals, nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, or taxation allowance that may arise on disposals.

j) Information

We have made an assumption that the information provided to us is both full and correct, and have relied on the following sources of information:

- Malita Investments p.l.c.
- Contracts published by Dr Tania Spiteri, (Notary Public in the Government Property Division)
- PricewaterhouseCoopers
- Architecture Project drawings
- Planning Authority

It follows that we have made an Assumption that details of all matters likely to affect value within their collective knowledge have been made available to us and that the information is up to date.

k) Valuation

By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. Although our conclusions are in our opinion reasonable and defensible, others might wish to argue for different values.

Our general assumptions and definitions are included as an intrinsic part of the valuation report. Furthermore, the basis of the valuation is that derived from the 'Income Approach' method. For this reason we have been assisted in carrying out this valuation by Malita Investments Plc./PricewaterhouseCoopers. Their



assumptions and definitions:

- The dominus and emphyteuta are assumed to be separate and distinct parties and therefore no premium, which may arise from marrying the dominium directum and the freehold of the properties during the term of the emphyteutical grants has been considered.
- In the Valuation, no adjustment has been made to reflect any liability to taxation that may arise on the ground-rents, and other income receivable from the Sites, gains that may be realised in a disposal, nor any costs associated with such a disposal.
- The valuation provide for a deduction to reflect an apportionment of the projected annual administrative costs to be expensed by the Company in the administration and collection of the gross amounts receivable from the Site, discounted to present value at the discount rate.
- In the Valuation, no account has been taken of the value of the buildings and improvements carried out on the Site given that it is assumed that on expiry of the deeds of grants, these will be beyond their economic useful life.
- For the purpose of the Valuation, it is being assumed that VCP will remain financially in a position to meet their obligations and honour the payment of ground rents and other terms of the deed of grants until the end of the term.

(B) Ground-rent

B.1 The Emphyteutical Grant was made in consideration of the payment by the Emphyteuta of annual temporary revisable ground-rent of five hundred and fifty nine thousand, forty nine euro and sixty two cents (559,049.62 euro).

B.2 The Ground-rent is payable in two equal instalments, each instalment being payable six months in advance.

B.3 In accordance with the terms of sub-clause 2.02 of clause 2 (Groundrent and other Payments) of the Deed of Grant, the Ground-rent shall be revised at the beginning of the 14th year of the Emphyteutical Grant whereby the ground rent of five hundred and fifty nine thousand, forty nine euro and sixty two cents (559,049.62 euro) was increased by 20% or by such amount as will represent the rate of inflation, as per the Index of Inflation (as the term is defined in the Deed of Grant) during that period taking as a base the last published Index of Inflation for the year immediately preceding the end of the first twelve month period of the Emphyteutical Grant and that published for the year immediately preceding the beginning of the fourteenth twelve month period of the Emphyteutical Grant, whichever is the higher amount, and by virtue of which the ground rent was increased to seven hundred and thirty-four thousand, eight hundred and forty-eight euro (734,848 euro)

B.4 In accordance with the terms of sub-clause 2.03 of clause 2 (Groundrent and other Payments) of the Deed of Grant, after the fourteenth year of the Emphyteutical Grant, the ground rent shall be revised at the beginning of every subsequent five twelve-month period of the Emphyteutical Grant, that is at the beginning of the nineteenth, twenty fourth, twenty ninth, thirty fourth twelve-month periods and so on until the beginning of the sixty fourth twelve-month period, whereby the amount of the last established ground rent shall each time be increased by 10% over the ground-rent as last established or by such amount as will represent the increase in the Index of Inflation (as the term is defined in the Deed of Grant) during the relative five twelve-month period taking as a basis the Index of Inflation for the year immediately preceding the beginning of the period before the last revision of ground rent was



effected and the Index of Inflation for the year immediately preceding the beginning of the five twelve month period for which the ground rent is to be increased, whichever is the higher. In accordance with the foregoing, the ground rent was increased in the year two thousand and fifteen (2015) and in the year two thousand and twenty (2020) and currently amounts to eight hundred and eight thousand, three hundred and thirty-three euro (808,333 euro)

B.5 In accordance with the Emphyteutical Grant, if the minimum income threshold is exceeded, VCP must pay the Government of Malta a sum equal to 15% of all VCP's revenue during the previous 12-month period deriving from the letting of buildings and facilities existing, or which may be constructed, on the VCP Site; and at the end of each 12-month period, VCP is also required to pay a sum equivalent to 10% of all gross revenue deriving from passenger and cruise liner operations and other activities which may be generated from the VCP Site and other sites over which VCP has management rights. Since this minimum income threshold has been exceeded in 2023, VCP is due to pay an additional rent of €255,896.

B.6 For the purpose of this valuation it is assumed that all the VSC Properties will be transferred by the Emphyteuta to the Government without any reduction in the Ground-rent.

(C) Definitions

"Deed of Grant" means the public deed in the Records of Notary Vincent Miceli of the twenty second day of November of the year two thousand and one (22/11/2001) together with all the schedules, plans and other documents annexed thereto, by virtue of which public deed inter alia the Government granted to VCP the Emphyteutical Site on temporary emphyteusis for a period of sixty five (65) years commencing from the twenty second day of November of the year two thousand and one (22/11/2001).

"Dominus" means the pro tempore directus dominus of the Property or any part thereof and includes VCP qua dominus

"Discount rate" means the pre-tax rate reflecting the market assessments at the date of the Valuation, of the time value of money; and the risks specific to the cash flows emanating from the temporary dominium directum of the Property.

"Emphyteuta" means the pro tempore utilista of the Property or any part thereof and includes VCP qua emphyteuta pursuant to the Deed of Grant.

"Emphyteutical Grant" means the temporary emphyteutical grant of the Emphyteutical Site made by virtue of the Deed of Grant.

"Emphyteutical Site" means the buildings and lands situated in Floriana having an area of circa forty-six thousand one hundred ninety seven (46,197) square metres. The buildings consist in a series of warehouses converted into commercial premises as well as the old power station (across Xatt Pinto) which has also been converted into stores and a reception handling area for cruise liner passengers. These are bounded on the Northwest and Southwest by Triq il-Vittmi Furjanizi tal-Gwerra and Northeast by Xatt Lascaris with Xatt Pinto passing through the property, as shown edged in yellow on plan 145A_2000; but excluding the following properties:

- (i) the substation without official number indicated with number two (2) and hatched blue on plan 145A_2000 having an area of forty three (43) square metres and up to a height of six point nine (6.9) metres from the level of the existing ground floor and bounded on all sides by Government property, accessible from Triq Pinto situated in the limits of Floriana;



(ii) the buildings without official number, abutting on Pinto Road Floriana, shown hatched in blue and marked number one on plan 145A_2000 consisting of a chapel and ancillary buildings having a superficial area of circa one hundred ninety eight (198) square metres and bounded on all sides by Government property, which building is also shown on the plan 145D_2000 annexed to the Deed of Grant showing the extent of the chapel marked Document M and also showing the apertures washed yellow which had to be blocked within three months from the date of the Deed of Grant;

(iii) the airspace of the rock hewn building/space without official number, accessible from an open public space in the limits of Floriana and marked with letter A and washed orange on plan 145A_2000, situated within the bastions, having an area of one thousand one hundred and ninety (1190) square metres from a height of six point seven (6.7) metres from the level of the present entrance upwards and bounded on all sides by property of the Government or its successors in title;

(iv) the airspace of the rock hewn building/space without official number, accessible from an open public space in the limits of Floriana and marked with letter B and washed in orange on plan 145A_2000, situated within the Bastions, having an area of five hundred (500) square metres from a height of six point seven (6.7) metres from the level of the present entrance upwards and bounded on all sides by Government property;

(v) the airspace of the rock hewn building/space without official number accessible from an open public space in the limits of Floriana and marked with letter 'C' and washed in orange on plan 145A_2000 situated within the Bastions, having an area of circa eight hundred and one (801) square metres from a height of six point seven (6.7) metres from the level of the present entrance upwards, and bounded on all sides by Government property;

(vi) the airspace of the rock hewn building/space without official number accessible from a building forming part of the emphyteutical concession in the limits of Floriana and marked with letter 'D' and washed in orange on plan 145A_2000 situated under Crucifix Hill, having an area of circa one hundred and twenty eight (128) square metres from a level of three metres under the road level of Crucifix Hill upwards and bounded on all sides by Government property.

For the avoidance of doubt it is declared that the location plan P.D. 145_2000 (Document "N") annexed to the Deed of Grant includes the Emphyteutical Site and also the site granted under management in terms of the Deed of Grant.

"Ground-rent" means the annual temporary revisable ground-rent due in terms of the Deed of Grant

"Immovable Things" means all buildings, structures, developments, infrastructure, facilities, installations, equipment, plant and machinery and other improvements, now existing, or which in the future may exist (as the context requires), within the boundaries of the Property, whether installed, constructed or erected on, in or under the Property or which otherwise appertain to the Property but to the extent only that they are considered immovable things in terms of the Civil Code, Chapter sixteen (16) of the Laws of Malta and whether such buildings, structures, developments, infrastructure, facilities, installations, equipment, plant and machinery and other improvements are mentioned or otherwise in the description or reference to the Property in this deed.

"Land Registry" means the office in Malta constituted by virtue of the Land Registration Act, Chapter two hundred and ninety six (296) of the Laws of Malta, for the purposes of registration of title to land.

Plan **"PD 145A_2000"** means the plan annexed as schedule two (2) to the Deed of Grant;

"Property" means the Emphyteutical Site less the VSC Properties.



"Receivables" means the annual payments due in terms of the Deed of Grant described in clause 4 (four) (Receivables) of the Deed of Grant.

"VSC Properties" means the areas described in paragraphs (a), (b), (c) and (d) below forming part of the new road linking Valletta to Marsa and passing behind Pinto Stores as shown on the plans forming part of Schedule eight (8) annexed to the Deed of Grant, namely:

(a) the area hatched in green and marked with letter "E" on plan PD 145A_2000 having an area of one thousand three hundred and seventy nine (1,379) square metres;

(b) the area hatched in green and marked with letter "F" on plan PD 145A_2000) having an area of eight hundred sixty eight (868) square metres;

(c) the area hatched in violet marked with letter "G" on plan PD 145A_2000 having an area of three hundred and sixty (360) square metres;

(d) the area hatched in violet marked letter "H" on plan PD 145A_2000 having an area of four thousand eight hundred and sixty two (4,862) square metres;

(e) including the areas above and below the road.

"Malita" means Malita Investments plc, a public limited liability company registered under the laws of Malta with company registration number C 53047 and with registered office at Clock Tower, Level 1, Tigne Point, Sliema, Malta;

(D) Basis of Valuation

The valuation of the Property has been prepared with due consideration to the valuation Standards published by the Royal Institution of Chartered Surveyors (RICS). These are compliant with the Standards published by the International Valuation Standards Committee (IVSC). In the absence of comparable market transactions, the valuation is based on open market value for existing use of the property. The IVSC defines fair value as 'the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction'.

The fair value of the properties has been estimated based on the discounted cash flow arising from the temporary dominium directum of the Property described above, the right to receive the Ground-rent, and the absolute freehold ownership of the Property after the expiry or earlier termination of the Emphyteutical Grant. In the valuation, it is assumed that the Dominus and Emphyteuta are separate and distinct parties and therefore no premium, which may arise from marrying the dominium directum and the freehold of the properties during the term of the Emphyteutical Grant has been considered.

The fair value of the properties has been calculated on the basis of the aggregate of:

D1) the nominal value of the remaining Ground rent receivable in respect of the Emphyteutical Site as at 31st December 2023, taking into account the revision terms set out in the Deed of Grant, discounted to present value at the 'Discount Rate'. For the purpose of the Valuation, it is assumed that the conditions set out in the Deed of Grant, which oblige the Emphyteuta to make annual payments in terms of the Receivables, in addition to the Ground-rent, has been triggered in 2023; and



D2) the freehold value attributable to the site/s upon the expiry of the term of the dominium directum. The freehold value has been determined by compounding the aggregate of the estimated value of the original consideration originally received by Government on the Deed of Grant, consisting of the premium, works, preference shares and the Ground-rents; and the capitalisation of the projected ground rent receivable subsequent to the expiry of the Deed of Grant, by:

- a) the rate of inflation, as determined by the movement in the 'Retail Price Index' in the period between the date of the original emphyteutical grant of the site/s and 31st December 2023; and
- b) the projected inflation in respect of the period commencing from 31st December 2023 and ending on the date of expiry of the emphyteutical grant of the site/s, which projected inflation rate is assumed at 2% per annum.

The Valuation also provides for a deduction to reflect an apportionment of the projected annual administrative costs to be expensed by the Company in the administration and collection of the gross amounts receivable from the site/s, discounted to present value as at 31st December 2023 at the Discount Rate.

In the Valuation, no adjustment has been made to reflect any liability to taxation that may arise on the Ground-rents, and other income receivable from the Transferred Property, gains that may be realized in a disposal, nor for any costs associated with such a disposal.

For the purpose of the Valuation, it is being assumed that the Emphyteuta are and will remain financially in a position to meet their obligations and honour the payment of Ground-rents and the other terms of the Deed of Grant until the end of the term.

Furthermore, in the Valuation, no account has been taken of the value of the buildings and improvements carried out on the Emphyteutical Land given that it is assumed that on expiry of the Deed of Grant, these will be beyond their economic useful life.

The original use of the buildings was that of warehouses constructed during the period when Malta was governed by the Knights of Malta during Grandmaster Pinto's tenure.

The use of the main building is that of a cruise liner passenger terminal with the rest of the buildings currently being used as shops, namely restaurants.

For the purpose of the Valuation, it is assumed that any information Malita has supplied to me in respect of the Emphyteutical Site is both full and correct. Where I deemed necessary, I have obtained written representations from Malita and/or from other parties in order to support the assumptions on which the Valuation is based.

(E) Age of Buildings

The buildings were originally warehouses constructed during the period when Malta was governed by the Knights of Malta during Grandmaster Pinto's tenure in the 18th century, having been converted into a cruise passenger terminal in the 1990s and inaugurated in its present form as a fully-fledged cruise passenger terminal in 2005.



(F) Details of registered mortgages and privileges and other charges, real rights thereon including details of emphyteutical concessions, easements and other burdens

The payment of Ground-rent in respect of the Property is secured by means of a special privilege over the Property reserved by Malita, and a general hypothec granted by VCP over its property to Malita.

(G) Valuation

After having taken into consideration all the afore-mentioned facts and considerations, it is my considered opinion that the fair value of the temporary dominium directum of the Property described above, the right to receive the Ground-rent, and the absolute freehold ownership of the Property after the expiry or earlier termination of the Emphyteutical Grant at the date of this Valuation is twenty-six million, six hundred and twelve thousand, five hundred and sixty Euro (26,612,560.00 euro).

(H) Confidentiality and disclosure and publication

The contents of this report may be used only for the specific purpose to which they refer. Before this report, or any part thereof, is reproduced or referred to in any document and before its contents, or any part thereof, are disclosed orally or otherwise to a third party, the valuer's written approval as to the form and context of such publication or disclosure must first be obtained, but may not be unreasonably withheld or delayed in so far as it relates to the inclusion of the valuation in the Prospectus.

Perit Paul Camilleri



PAUL CAMILLERI & ASSOCIATES

ARCHITECTS, CIVIL AND STRUCTURAL ENGINEERING CONSULTANTS

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05th. January 2024

Malita Investments p.l.c.
Clock Tower, Level 1,
Tigne' Point,
Sliema TP01

Attention: **Ms. Jennifer Falzon**
Chief Executive Officer, Malita Investments p.l.c.

Dear Ms. Falzon,

Valuation of the Temporary Dominium Directum and the Absolute Freehold Ownership of the Properties underlying the Original Emphyteutical Grant to Valletta Cruise Passenger plc

Valuation of the Temporary Dominium Directum and the Absolute Freehold Ownership of the Properties underlying the Original Emphyteutical Grant to Malta International Airport plc

Valuation of Parliament Building and Opera House Site – City Gate Entrance/ Triq ir-Repubblika, Valletta

(the “Properties”)

In accordance with your instructions, we have re-inspected the Properties in order to provide you with our opinion of the respective valuations, as described above. We are presenting herewith our valuation reports accordingly.

Status of valuer and compliance

I confirm that the undersigned complies with the requirements of independence and objectivity set out in the RICS standards and guidelines and that the undersigned has no conflict of interest in valuing the Properties. This valuation has been taken by the undersigned in the capacity of external valuer.

Basis of valuation

The basis of the valuation of each Property has been described in the respective valuation reports. Generally, the Properties have been valued on the basis of Market Value as set out in VS 3.2 of the Red Book which is defined as:

‘The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.’

Paul Camilleri B.E. & A. (Hons.) (Melit.), Dip.R.C.Const. (Milan), Eur. Ing., Perit
Kenneth Camilleri B.E. & A. (Hons.) (Melit.), MSc. Struc.Eng (Surrey), Perit
Alexei Pace B.E.&A.(Hons.), M.Sc.(Melit.), Perit

Matias Camilleri de Marco B.E.& A. (Hons.) (Melit.), Perit
Zdenka Jakesevic-Lang B.A. (Hons.), M.Sc. (Urban Planning)
Andrew Scicluna B.E. & A. (Hons.) (Melit.), Perit
Leon Gauci B.Sc.Built Env. (Hons.), M.Arch., (Melit.)



Assumptions and sources of information

An assumption is stated in the glossary to the Red Book to be a 'supposition taken to be true' ('Assumption'). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of Assumptions and have relied on certain sources of information; and namely (a) information derived from various contracts related to the property in question as provided by Malita Investments p.l.c. and (b) cash flow, ground rent quantum, discount rates and other information of a similar nature as provided by PricewaterhouseCoopers. In the event that any of these Assumptions prove to be inaccurate or incorrect then our valuation should be reviewed.

The Assumptions we have made for the purposes of our valuations are referred to below:

Areas

We have not measured the Properties and neither have we undertaken the measurement of any land sites. As instructed, we have relied solely upon the information provided, which we have assumed to be full and correct.

Condition

We have not carried out building surveys of the existing structures located on the Properties and neither have we tested the drainage or service installations in the buildings as this was outside the scope of our instructions.

We have not been provided with any structural and/ or services surveys or environmental reports and therefore, where we have assumed the continuing use of an existing building, we have made an assumption that the buildings are structurally sound, free from any defects, free from any rot, infestation, adverse toxic chemical treatments or other design defects that may adversely impact on their future use.

Due regard has been paid to the apparent state of repair and condition of the existing buildings, but condition surveys have not been undertaken, nor have woodwork or other parts of the structures which are covered, unexposed or inaccessible, been inspected.

As seen, we have made an Assumption that the existing buildings are free from any rot, infestation, adverse toxic chemical treatments, and structural or design defects.

We have not arranged for investigations to be made to determine whether high alumina cement concrete, calcium chloride additive or any other deleterious materials have been used in the construction or any alterations, and therefore we cannot confirm that the existing buildings are free from risk in this regard. For the purpose of this valuation, we have made an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

We have carried out cursory inspection of the buildings during site visits carried out in November 2023.

Legal and planning

We have not been provided with any formal reports on title or legal due diligence in respect of the Properties prepared by lawyers. We have however, been provided with copies of the respective contracts.

We do not normally read leases or title documents. The interpretation of the legal documents/ disputes is a matter for lawyers and as such we accept no responsibility or liability for the true interpretations of the legal position.



Infringement of Statutory Requirements

We have been informed by the Company, that there have been no infringements of statutory requirements in respect of the Properties.

Intra Group Leases

Given that the company does not form part of a group of companies, it has been confirmed that none of the Properties are subject to any intra-group lease that otherwise would have to be included in the respective reports.

Building permits

Information regarding building permits for the existing buildings and structures that exist within the Properties have been included as appendices with each of the three valuation reports.

Environmental matters

We have not been instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated.

Should it be established that contamination does exist, this might reduce the value now reported. We have no basis to assess the reasonableness of this Assumption. If it were to prove invalid then the value would fall by an unspecified amount. We have therefore made no allowance in our valuation for any effect in respect of actual or potential contamination in the land or buildings.

Lettings

We have not been provided with copies of all the individual sub-lease contracts and we have therefore relied upon information provided by and utilised by PricewaterhouseCoopers in respect of all tenancy information, rents, lease terms etc.

We have assumed that this information is up to date and correct, and should this Assumption prove invalid then our opinion of value may fall by an unspecified amount.

Taxation and costs

We have not made any adjustments to reflect any liability to taxation that may arise on disposals, nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, or taxation allowance that may arise on disposals.

Information

We have made an assumption that the information provided to us is both full and correct, and have relied on the following sources of information:

- Malita Investments p.l.c.
- Contracts published by Notary Pierre Attard
- PricewaterhouseCoopers
- Architecture Project drawings
- Planning Authority

It follows that we have made an Assumption that details of all matters likely to affect value within their collective knowledge have been made available to us and that the information is up to date.



Valuation

By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. Although our conclusions are in our opinion reasonable and defensible, others might wish to argue for different values.

Our general assumptions and definitions are included as an intrinsic part of the valuation report. Furthermore, the basis of the valuation is that derived from the 'Income Approach' method. For this reason we have been assisted in carrying out this valuation by PricewaterhouseCoopers. Their assumptions and definitions:

- The dominus and emphyteuta are assumed to be separate and distinct parties and therefore no premium, which may arise from marrying the dominium directum and the freehold of the properties during the term of the emphyteutical grants has been considered.
- In the Valuations, no adjustment has been made to reflect any liability to taxation that may arise on the ground-rents, and other income receivable from the Sites, gains that may be realised in a disposal, nor any costs associated with such a disposal.
- In projecting the ground rent and other cash generated from the VCP Site, it is assumed that the revenue/profit sharing arrangement is not triggered and therefore on an annual basis GOM would generate only the ground rent set out in the deed of emphyteusis. This assumption is based on the fact that the revenue/profit sharing arrangement has not been triggered up to the date of the valuation and in view of the fact that the minimum ground rent will in the next few years be revised with inflation decreasing the probability that such revenue/profit sharing arrangement will be triggered.
- The valuations provide for a deduction to reflect an apportionment of the projected annual administrative costs to be expensed by the Company in the administration and collection of the gross amounts receivable from the Sites, discounted to present value at the discount rate.
- In the Valuations, no account has been taken of the value of the buildings and improvements carried out on the Sites given that it is assumed that on expiry of the deeds of grants, these will be beyond their economic useful life.
- For the purpose of the Valuations, it is being assumed that MIA and VCP will remain financially in a position to meet their obligations and honour the payment of ground rents and other terms of the deed of grants until the end of the term.

VCP

The value as at 31st December 2023 is estimated at €26,612,560.00 which represents the aggregate of:

- the discounted "Inflated Freehold land value at inception" amounting to €6,686,000; (this represents the €73,500,000 inflated land value by 2066, discounted to PV at a discount rate of 5.26%); and



- Present Value of remaining ground rents amounting to €18,010,000 (this represents NPV of future cash flows from December 2023 - 2066, at a discount rate of 5.26%)
- Discount rate of 5.26% represents:
 - long-term yield to maturity on Malta Government bonds of 4.26% - this represents the return an investor can expect in the current market on investments which do not carry any credit risk; and
 - a risk premium of 1.0% to account for the fact that this project is not entirely risk-free since VCP is a commercial organisation (i.e. not the government) and therefore there is an element of credit risk i.e. this company do not carry the same credit-rating as the Government of Malta.

MIA

The value as at 31st December 2023 is estimated at €54,999,440.00 which is the aggregate of:

- the discounted "Inflated Freehold land value at inception" amounting to €18,000,000; (this represents the €209,000,000 inflated land value by 2067, discounted to PV at a discount rate of 5.26%); and
- Present Value of remaining ground rents amounting to €32,489,000 (this represents NPV of future cash flows from December 2023 - 2067, at a discount rate of 5.26%)

The summation of the above €24,695,000 + €50,493,000, results in the value of €75,188,000 and deducting collection expenses of €1,000,000 gives €74,188,000,

- Discount rate of 5.26% represents:
 - long-term yield to maturity on Malta Government bonds of 4.26% - this represents the return an investor can expect in the current market on investments which do not carry any credit risk; and
 - a risk premium of 1.0% to account for the fact that this project is not entirely risk-free since MIA is a commercial organisation (i.e. not the government) and therefore there is an element of credit risk i.e. this company do not carry the same credit-rating as the Government of Malta

Parliament & Open Air Theatre

Parliament building and Open Air Theatre valuation amounts to €139,496,967.00 and represents the net present value of the cash flows over the period 2023 - 2077, all discounted at 6.26%, as follows:

- lease income of €5,947,000 annually, which increases by 5.97% inflation every 3 years (the 5.97% represents the current past 5 year average of inflation, as reported by the NSO Retail Price Index). Notably, the inflation rate of 6.15% in 2022 was considered an outlier, prompting the use of an average from the previous 4 years (2018-2021) for a more representative calculation.



- Additional income of €847,000 annually, for the additional Parliament lease, which also increases at the 5.97% inflation every 3 years
- deduction for ground rent payable of €123,000 annually
- deduction for refurbishment costs to be paid over the years 2031-2033, of €1,400,000 per year, and again in 2051-2053, of €2,100,000m, €3,200,000 in 2071 and €4,300,000 in 2077
- deduction for collection expense of €51,000 per annum, increasing by assumed long-term inflation rate of 2% per annum
- Discount rate for Parliament & Open Air Theatre assumed at 6.26%, representing:
 - the 4.26% risk free rate as above; plus
 - 0.5% credit risk premium given its a rental of property and not a ground rent; plus
 - 1.5% extra credit risk to represent the additional risk premium given that this is a specialised building and the di fermo period is only 30 years, i.e. GoM can technically opt to not renew this when the terms comes up in 2032 (even though the chances of this are arguably very low, there is still such a risk in theory)

Guidance note 1 of the red book

Where uncertainty could have a material effect on an opinion of value, the Red Book requires a valuer to draw attention to this, indicating the cause of the uncertainty and the degree to which this is reflected in the valuation reported.

No such instance of uncertainty was noted with regards to these properties.

Liability and publication

This report is issued for your own use, for the specific purpose to which it refers. We do not accept responsibility to any third party for the whole or any part of its contents.

Neither the whole nor any part of this valuation or any reference thereto, may be included in any published document, circular or statement or disclosed in any way without our previous written consent to the form and context in which it may appear.

Yours faithfully,

Perit Paul Camilleri

(encl: Valuation reports)

Annex III – Prospective Financial Information

Summary of Significant Assumptions and Accounting Policies

1. Introduction

The forecast statement of financial position, statement of comprehensive income, and statement of cash flow of Malita Investments p.l.c. for the period from 1 January 2023 to 31 December 2023, and the projected statement of financial position, statement of comprehensive income, and statement of cash flow of Malita Investments p.l.c. for the period from 1 January 2024 to 31 December 2027 (together, the “Prospective Financial Information”) have been prepared to provide financial information for the purpose of inclusion in the Prospectus of Malita Investments p.l.c. (the “Company”) dated 14 February 2024. The Prospective Financial Information, set out on pages 50 to 56, and the assumptions below are the sole responsibility of the directors of Malita Investments p.l.c.

The Prospective Financial Information for the period ending 31 December 2027 has been based on the following financial information:

- a) the published audited financial information of the Company for the year ended 31 December 2022;
- b) the unaudited financial information of the Company for the 11-month period ended 30 November 2023; and
- c) the projected financial information of the Company covering the period from 1 December 2023 to 31 December 2027.

The Prospective Financial Information is intended to show a possible outcome based on assumptions as to future events, which the directors expect to take place and on actions the directors expect to take. Events and circumstances frequently do not occur as expected and therefore actual results may differ materially from those included in the Prospective Financial Information. Attention is drawn, in particular, to the risk factors set out in the Prospectus which describe the primary risks associated with the business and operations to which the Prospective Financial Information relates.

The Prospective Financial Information is not intended to, and does not, provide all the information and disclosures necessary to give a true and fair view of the financial results of the Company in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU.

The directors have exercised due care and diligence in adopting these assumptions. The Prospective Financial Information was formally approved on 14 February 2024 and the stated assumptions reflect the judgements made by the directors at that date. The assumptions that the directors believe are significant to the Prospective Financial Information are set out below.

2. Significant accounting policies

The accounting policies of Malita Investments p.l.c. are set out in its audited financial statements for the year ended 31 December 2022. Where applicable, these accounting policies, in so far as they relate to recognition and measurement criteria, have been consistently applied in the preparation of the Prospective Financial Information.

The Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company’s accounting period beginning on 1 January 2023. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Company’s accounting policies.

The significant accounting policies relating to the Prospective Financial Information are reproduced below.

2.1 Investment property

Investment property is held for long-term rental yields or for capital appreciation or both, and is not occupied by the Company. Investment property also includes property that is being constructed or developed for future use as investment property, when such identification is made.

Investment property is measured initially at its historical cost, including related transaction costs and borrowing costs. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs which are incurred for the purpose of acquiring or constructing a qualifying investment property are capitalised as part of its cost, in accordance with section 2.8. After initial recognition, investment property is carried at fair value. Given that there is no active market for the investment property held by the Company, the Company establishes fair value by using valuation techniques, particularly discounted cash flow analysis.

Investment property that is being redeveloped for continuing use as investment property continues to be measured at fair value. Fair value measurement on property under construction is only applied if the fair value is considered to be reliably

measurable. The fair value of investment property reflects, among other things, rental income from current leases. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in the statement of comprehensive income. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

2.2 Contract asset

The Company is recognising a contract asset in its statement of financial position to account for the Affordable Housing Project during its construction period. The carrying amount of the contract asset is equal to the total costs incurred on this project, profit on the completed construction and financing revenue.

2.3 Service concession arrangements

Under the terms of IFRIC 12, 'Service Concession Arrangements', a concession operator has a twofold activity:

- i. a construction activity in respect of its obligations to design, build and finance a new asset that it delivers to the grantor: revenue is recognised over time in accordance with IFRS 15; and
- ii. an operating and maintenance activity in respect of concession assets: revenue is recognised in accordance with IFRS 15.

In return for its activities as operator, the Company will receive remuneration from the grantor during the duration of the concession, and therefore IFRIC 12's financial asset model applies. Under this model, the operator has an unconditional contractual right to receive payments from the concession grantor, irrespective of the amount of use made of the infrastructure.

The operator recognises a financial asset, attracting interest, in its statement of financial position, in consideration for the services it provides (design, construction, etc.). Such financial assets are recognised in the statement of financial position as a contract asset, in an amount corresponding to the fair value of the infrastructure on first recognition and subsequently at amortised cost. The receivable will in substance, be settled by the operator's right to retain all rental payments to be affected by users upon completion of construction; such payments will be received partly from users and partly from the grantor. Finance income calculated on the basis of the effective interest method is recognised under finance income in the statement of comprehensive income.

The part of the investment that is covered by an unconditional contractual right to receive payments from the grantor (in the form of rental) is recognised as a contract asset up to the amount guaranteed. Once the development is completed, the Company will have a right to invoice tenants based on the contractual price. In line with IFRIC 12 and IFRS 15, the amount which the company has a right to invoice will be presented as a financial asset (receivable) with a corresponding entry against the contract asset recognised during the construction phase.

2.4 Borrowings

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised as finance cost in income statement over the period of the borrowings using the effective interest method. In the opinion of the directors, the recorded book value of borrowings and their value measured at amortised cost using the effective interest method are not materially different. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.5 Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or in equity.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.6 Revenue recognition

Revenue comprises the fair value for ground rents received or receivable as per contracts entered into, leases of the Parliament Building on the initial and additional investment and the lease of the Open-Air Theatre. Moreover, the Company is recognising revenue in relation to the service concession arrangement as performance obligations are satisfied, in accordance with section 2.3.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below:

(a) Finance income

Interest income is recognised for all interest-bearing instruments using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The Company recognises revenue from service concession arrangements and adjusts amounts receivable for any significant financing component. The difference between the contractual price receivable and the revenue recognised in accordance with IFRS 15 is recognised as finance income.

(b) Rental income from investment property

Rental income from investment property is recognised in the statement of comprehensive income on a straight-line basis over the term of the lease.

(c) Revenue from service concession arrangements

Revenue related to construction or upgrade services under a service concession arrangement is recognised over time, consistent with the Company's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are provided by the Company. If the service concession arrangement contains more than one performance obligation, then the consideration received is allocated with reference to the relative stand-alone selling prices of the services delivered.

2.7 Operating leases

(a) The company is a lessee

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

(b) The company is a lessor

Assets leased out under operating leases are included in investment property in the statement of financial position and are accounted for in accordance with section 2.1.

Receipts made under operating leases (net of any incentives paid by the Company) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

2.8 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed.

3. Basis of preparation and significant assumptions

The Prospective Financial Information is based on the contractual arrangements entered into by the Company, consisting principally of the following:

- i. The Transfer Contracts, dated 14 June 2012, pursuant to which the Company acquired, from the Government of Malta, the title of *dominium directum* over the Transfer Sites;
- ii. The City Gate Emphyteutical Deed, dated 26 June 2012, pursuant to which the Government of Malta granted the Parliament Building and the Open-Air Theatre, by title of temporary emphyteusis, unto the Company;
- iii. The lease agreements for the Rented Properties entered into with Government on 26 June 2012;
- iv. The Affordable Housing Emphyteutical Deed;
- v. Affordable Housing Lease Agreements; and
- vi. Affordable Housing Availability Agreements.

The principal assumptions relating to the environment in which Malita Investments p.l.c. operates, and the factors which are exclusively outside the influence of the directors and which underlie the Prospective Financial Information are the following:

- There will be no material adverse events originating from market and economic conditions;
- There will be no cost increases or delays in completion of construction projects;
- Malita Investments p.l.c. will continue to enjoy the confidence of its bankers;
- Interest rates will not change materially throughout the period covered by the projections;
- The basis and rates of taxation will not change materially throughout the period covered by the projections; and
- The rate of inflation over the short to medium term will remain in line with what is currently being projected by the relevant institutions, and then begin to decrease to a more normalised level over the long-term.

The principal assumptions relating to the environment in which Malita Investments p.l.c. operates, and the factors which the directors can influence and which underlie the Prospective Financial Information, are outlined below.

3.1 Revenue

The Company's forecast revenue for the years up to 31 December 2027 includes ground rents and rental income that the Company expects to receive from investment property. This comprises:

- i. Ground rents derived from the ownership of the *dominium directum* of the Transfer Sites, taking into account the revision clauses set out in each of the respective deeds of emphyteusis. In 2023, ground rents generated from the Transfer Sites are estimated to amount to €2.3million, and are projected to remain constant at this level;
- ii. Rent accruing to the Company from the lease of the Parliament Building and Open-Air Theatre following the issuance of the completion certificates for the properties on 31 December 2012. The rent will be increased in line with the revision clauses set out in the lease agreements for these two properties. In 2023, ground rents generated from the Parliament Building and Open-Air Theatre are estimated to amount to €6.8million, and are projected to increase to €7.0million in 2027; and
- iii. Rent derived from the rental of garages and commercial centres developed as part of the Affordable Housing Project. In 2023, rental income relating to garages and commercial centres is estimated to amount to €40,413, and is projected to increase to €0.8million in 2027.

Ground rents and rental income are assumed to be received in the year in which they are generated.

3.2 Revenue and costs from service concession arrangements

Besides the revenue referred to in section 3.1 above, the Prospective Financial Information also includes revenue from service concession arrangements, which essentially relates to the Affordable Housing Project, in accordance with the accounting policy set out in section 2.3.

In line with the Affordable Housing Lease Agreements, the Company has entitlement to cash flows from rental of the respective units. Rates are contractually agreed between the Housing Authority and the tenant. Rent is assumed to be received in the year in which it is generated, and is partly paid by the tenants directly to Malita, and the remaining subsidised portion is received from the Housing Authority.

The IFRIC 12 model prepared by management is updated with the latest actual and projected costs, which reflect impacts of the latest market conditions, and expected revenues, based on current completion targets, to provide management and the Board with updated profitability projections, compared with original estimates. The model is discounted by applying rates with reference to the average overall cost of capital for the Company, including consideration for rates used in the market for construction projects of a similar magnitude, and also considering the likelihood of increased interest rates due to the current global climate.

The Board has successfully negotiated an increase in the revenue streams to ensure that the project remains profitable and suitable returns are generated despite the increase in the capital cost of the project.

In the context of IFRIC 12, the infrastructure managed under these contracts cannot be recorded as investment property, but is recorded as a contract asset. During the development phase, the contract asset increases to reflect the amount receivable with respect to the capital expenditure accrued by the Company. Revenue from service concession arrangements reflects (i) these increases, together with a mark-up in line with IFRIC 12; and (ii) a portion of the rental income from housing units generated post-completion. Furthermore, as set out in section 2.3, the contract asset attracts interest.

As set out in the table below, 126 units are expected to be completed by the end of 2023, increasing to 461 by end of 2024, and to 752 units by the end of 2026 when the project is expected to be completed. Net revenue and finance income are estimated to amount to €0.5million and €3.0million respectively in 2023, reaching €0.9million and €7.0million respectively in 2027.

	Actuals	Estimate	Projections			
Income receivable from Affordable Housing Project						
For period ending 31 December						
Amounts in €000	2022	2023	2024	2025	2026	2027
Number of apartments completed (Units)	73	126	461	485	752	752
Revenue from service concession arrangements	17,292	14,816	37,665	16,048	5,292	870
Costs related to service concession arrangements	(16,778)	(14,283)	(36,216)	(15,075)	(4,516)	-
Net revenue from service concession arrangements	514	533	1,449	973	776	870
Finance income from service concession arrangements	1,292	3,037	4,815	6,308	6,914	7,046
Total income from service concession arrangements	1,806	3,570	6,264	7,281	7,690	7,916

3.3 Administrative expenses

Administrative expenses consist of the cost of general management and administration of the Company's activities. These include primarily payroll costs, directors' fees, listing fees, bank facility renewal fees, professional fees, maintenance expenses, and other corporate and general overheads, net of amounts which are capitalised in view of the developmental stage of the Affordable Housing Project. Capitalised expenses relate to ground rent and are estimated at €0.1million per annum until 2026, in line with the project's completion. Maintenance expenses include provisions for the maintenance of the Affordable Housing Project, estimated at €0.3million p.a., and the disbursement of which will be dependent on the requirements of the properties.

Administrative expenses are estimated to amount to €1.2million in 2023, increasing to €1.9million in 2027.

3.4 Movement in fair value of investment property

The movement in the fair value of investment property comprises primarily the projected movement in the fair value of the *dominium directum* of the Transfer Sites, and the emphyteutical grant of the Rented Properties. The projected fair value of investment property in the projections is estimated with reference to the cash flows receivable by the Company in terms of its contractual agreements, discounted to present value at each respective balance sheet date. For the purpose of the Prospective Financial Information, it is assumed that, beyond 31 December 2023, there would be no significant changes in the external environment and/or the risk profile associated with the collection of the ground rents and rents, which would change the discount rate underlying the fair value calculation of these properties.

The fair value movement is estimated to amount to €18.1million in 2023 on account of the lower prevailing interest rate environment compared with year-end 2022. In 2024, the fair value movement is projected to amount to €3.9million, increasing to €4.1million in 2027.

3.5 Finance income

Finance income is recognised for all interest-bearing instruments using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period.

As set out in section 3.2, the Company also recognises finance income relating to the service concession arrangements. The difference between the contractual price receivable and the revenue recognised in accordance with IFRS 15 is recognised as finance income.

In 2023, the Company is expected to generate finance income of €3.1million, increasing to €7.1million in 2027. As shown below, finance income predominantly comprises the finance income recognised by the Company on the service concession arrangement in relation to the Affordable Housing Project.

Finance income For period ending 31 December Amounts in €000	Actuals	Estimate	Projections			
	2022	2023	2024	2025	2026	2027
Finance income from service concession arrangements	1,292	3,037	4,815	6,308	6,914	7,046
Bank interest	-	94	59	60	57	49
Total finance income	1,292	3,131	4,875	6,367	6,971	7,095

3.6 Finance cost

Finance costs include interest costs and similar finance charges relating to the Company's bank borrowings, including existing facilities, and new facilities amounting to €33.0million which are expected to be drawn down between 2024 and 2026 in connection with the Affordable Housing Project, which terms were still in the process of being negotiated at the time of the issuance of the Prospectus.

The finance charges have been estimated on the basis of the forecast level of borrowings outstanding during the period covered by the Prospective Financial Information at the contracted interest rates with respect to existing facilities, and the latest indication of expected interest rates with respect to new facilities, for the term of the loans. The Company's principal facilities carry interest at a fixed rate for the duration of the term.

Finance costs, net of amounts which are capitalised in view of the developmental stage of the Affordable Housing Project, are estimated to amount to €1.7million in 2023, and are projected to increase to €3.2million in 2027 on account of additional debt financing which the Company will be raising to fund the Affordable Housing Project. Capitalised expenses are estimated at €2.1million in 2023, and are projected to decrease to €0.4million in 2026 and nil in 2027, in line with the project's completion.

3.7 Taxation

Current taxation has been provided at the corporate tax rate of 35% of the Company's chargeable income after taking into account maintenance allowance on rents receivable. Rental income receivable with respect to the Affordable Housing Project, and ground rent receivable is taxed at the applicable final withholding tax rates.

Deferred tax is provided using the liability method for all temporary differences arising between the tax basis of assets and liabilities and their carrying value for financial reporting purposes. The principal temporary difference arises from the projected movement in the fair value of investment property.

3.8 Working capital

Working capital comprises trade and other creditors, which include ground rent received in advance and accrued expenses.

The directors, having made due and careful enquiry and after taking the proceeds of the Offer into consideration, are of the opinion that in the absence of unforeseen circumstances outside their control, the working capital available to the Issuer will be sufficient for its requirements at least for the next twelve months.

3.9 Dividends

Dividends are assumed in line with the dividend policy set out in the Prospectus.

4. Conclusion

The directors of Malita Investments p.l.c. believe that the assumptions on which the Prospective Financial Information is based are reasonable.

Approved by the board of directors on 14 February 2024 and signed on their behalf by:



Chairman
Marlene Mizzi



Director
Robert Suban

Forecast statement of financial position

	Actuals	Estimate	Projections			
Statement of financial position						
As at 31 December						
Amounts in €000	2022	2023	2024	2025	2026	2027
ASSETS						
Non-current assets						
Property, plant and equipment	46	46	49	52	54	56
Investment property	202,996	221,109	225,055	229,151	233,052	237,108
Contract asset	49,514	66,322	104,850	121,813	127,500	126,713
	252,556	287,477	329,954	351,016	360,606	363,877
Current assets						
Trade and other receivables	2,308	775	499	499	499	499
Cash and cash equivalents	17,364	4,737	4,794	4,577	3,902	3,529
	19,672	5,512	5,293	5,076	4,401	4,028
Total assets	272,228	292,989	335,247	356,092	365,007	367,905
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital	73,295	73,295	105,758	105,758	105,758	105,758
Retained earnings	12,335	16,325	19,935	23,985	27,773	31,576
Non-distributable reserve - fair value movements	55,765	72,475	76,105	79,874	83,463	87,194
Non-distributable reserve - other	4,345	4,946	5,656	6,458	7,312	8,388
Total equity	145,740	167,041	207,454	216,075	224,306	232,916
Non-current liabilities						
Borrowings	89,575	85,396	88,460	101,080	102,473	96,180
Lease liability	3,333	3,298	3,321	3,345	3,365	3,385
Capital creditors	2,423	2,330	1,806	436	-	-
Provision on restoration	5,550	6,091	6,539	7,100	7,638	8,189
Deferred tax liabilities	15,806	17,207	17,522	17,850	18,162	18,486
	116,687	114,322	117,648	129,811	131,638	126,240
Current liabilities						
Borrowings	2,317	4,191	4,935	5,380	5,606	6,293
Lease liability	58	122	122	122	128	128
Capital creditors	5,690	4,985	2,657	2,376	1,001	-
Trade and other payables	1,357	1,629	1,732	1,629	1,629	1,629
Current tax liabilities	379	699	699	699	699	699
	9,801	11,626	10,145	10,206	9,063	8,749
Total liabilities	126,488	125,948	127,793	140,017	140,701	134,989
Total equity and liabilities	272,228	292,989	335,247	356,092	365,007	367,905

Forecast statement of comprehensive income

	Actuals	Estimate	Projections			
Statement of comprehensive income						
For year ending 31 December						
Amounts in €000	2022	2023	2024	2025	2026	2027
Revenue	8,300	9,211	9,262	9,550	9,847	10,092
Revenue from service concession arrangements	17,292	14,816	37,665	16,048	5,292	870
Costs related to service concession arrangements	(16,778)	(14,283)	(36,216)	(15,075)	(4,516)	-
Administrative expenses	(623)	(1,203)	(1,632)	(1,731)	(1,745)	(1,900)
Operating profit	8,191	8,541	9,079	8,792	8,878	9,062
Change in fair value of investment property	2,852	18,111	3,946	4,097	3,901	4,055
Finance income	1,292	3,131	4,875	6,367	6,971	7,095
Finance costs	(1,676)	(1,725)	(2,262)	(2,720)	(3,412)	(3,205)
Profit before tax	10,659	28,058	15,638	16,536	16,338	17,007
Tax expense	(1,882)	(3,396)	(2,620)	(2,846)	(3,037)	(3,331)
Profit for the year - total comprehensive income	8,777	24,662	13,018	13,690	13,301	13,676

Forecast statement of cash flow

	Actuals	Estimate	Projections			
Statement of cash flow						
For year ending 31 December						
Amounts in €000	2022	2023	2024	2025	2026	2027
Cash flows from operating activities						
Cash generated from operations	6,169	10,355	7,873	7,976	8,330	8,478
Interest paid and similar charges	(121)	(108)	(5)	(5)	(5)	(5)
Income taxes paid	(1,675)	(1,674)	(2,304)	(2,518)	(2,725)	(3,006)
Payments on lease liability	(116)	(116)	(122)	(122)	(122)	(128)
Net cash generated from operating activities	4,257	8,457	5,442	5,331	5,478	5,339
Cash flows from investing activities						
Purchase for property, plant and equipment	(38)	(20)	(20)	(20)	(20)	(20)
Payments to acquire contract asset	(8,800)	(12,965)	(37,958)	(16,103)	(5,949)	(1,001)
Bank interest income	-	90	59	60	57	49
Proceeds from affordable housing rentals	207	1,045	3,953	5,392	6,518	8,704
Net cash used in investing activities	(8,631)	(11,850)	(33,966)	(10,671)	606	7,732
Cash flows from financing activities						
Repayments of borrowings	(2,163)	(2,306)	(4,191)	(4,935)	(5,380)	(5,606)
Interest paid on borrowings	(2,598)	(3,293)	(2,898)	(2,873)	(3,310)	(2,769)
Dividends paid to equity holders	(5,065)	(3,358)	(5,069)	(5,069)	(5,069)	(5,069)
Net proceeds from rights issue	-	(276)	32,739	-	-	-
Proceeds from borrowings	20,600	-	8,000	18,000	7,000	-
Net cash from financing activities	10,774	(9,233)	28,581	5,123	(6,759)	(13,444)
Net movement in cash and cash equivalents	6,400	(12,626)	57	(217)	(675)	(373)
Cash and cash equivalents at beginning of year	10,963	17,363	4,737	4,794	4,577	3,902
Cash and cash equivalents at end of year	17,363	4,737	4,794	4,577	3,902	3,529



The Directors
Malita Investments p.l.c.
Clock Tower, Level 1,
Tigne Point,
Sliema, Malta

Independent Accountant’s Reasonable Assurance Report on the Prospective Financial Information of Malita Investments p.l.c.

To the board of directors of Malita Investments p.l.c.

We report on the forecast statement of financial position, statement of comprehensive income, and statement of cash flow of Malita Investments p.l.c. for the one-year period from 1 January 2023 to 31 December 2023, and on the projected statement of financial position, statement of comprehensive income, and statement of cash flow for the following four-year period from 1 January 2024 to 31 December 2027 (together, “the Prospective Financial Information”). The Prospective Financial Information, and its basis of preparation and the significant assumptions upon which the Prospective Financial Information is based are set out in *Annex III: Prospective Financial Information – Summary of Significant Assumptions and Accounting Policies* of Malita Investments p.l.c.’s Registration Document.

Directors’ responsibilities for the Prospective Financial Information

It is the responsibility of the Directors of Malita Investments p.l.c. to prepare the Prospective Financial Information and the significant assumptions upon which it is based, as set out in *Annex III: Prospective Financial Information – Summary of Significant Assumptions and Accounting Policies* of Malita Investments p.l.c.’s Registration Document, in accordance with the requirements of the Capital Market Rules issued by the Malta Financial Services Authority and Commission Delegated Regulation (EU) 2019/980. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the Prospective Financial Information that are based on the accompanying basis of preparation and significant assumptions.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281).

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers, 78 Mill Street, Zone 5, Central Business District, Qormi CBD 5090. Malta
T: (356) 2124 7000, www.pwc.com/mt

The firm is registered as a partnership of Certified Public Accountants in terms of the Accountancy Profession Act.
A list of partners and directors of the firm is available at 78 Mill Street, Zone 5, Central Business District, Qormi, CBD 5090. Malta.



Independent Accountant's Reasonable Assurance Report on the Prospective Financial Information of Malita Investments p.l.c.

To the board of directors of Malita Investments p.l.c.

Our responsibility

It is our responsibility to form an opinion, as required by Capital Market Rule 5.40 as issued by the Malta Financial Services Authority, as to the proper compilation of the Prospective Financial Information in line with the basis of preparation and significant assumptions set out in *Annex III: Prospective Financial Information – Summary of Significant Assumptions and Accounting Policies* of Malita Investments p.l.c.'s Registration Document, and the accounting policies of Malita Investments p.l.c.

We have examined the basis of preparation and significant assumptions of the accompanying Prospective Financial Information of Malita Investments p.l.c. for the five-year period from 1 January 2023 to 31 December 2027, and the accounting policies of Malita Investments p.l.c. in accordance with ISAE 3000 (Revised) *Assurance engagements other than audits and reviews of historical financial information*. Our work included evaluating the basis on which the Prospective Financial Information has been prepared, and considering whether the Prospective Financial Information has been accurately prepared based upon the disclosed assumptions, and the accounting policies of Malita Investments p.l.c.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Prospective Financial Information has been properly compiled in line with the basis of preparation and significant assumptions set out in *Annex III: Prospective Financial Information – Summary of Significant Assumptions and Accounting Policies* of Malita Investments p.l.c.'s Registration Document, and the accounting policies of Malita Investments p.l.c.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of preparation of the Prospective Financial Information

The Prospective Financial Information has been prepared in line with the basis of preparation and significant assumptions stated in *Annex III: Prospective Financial Information – Summary of Significant Assumptions and Accounting Policies* of Malita Investments p.l.c.'s Registration Document and is based on forecasts for the one-year period from 1 January 2023 to 31 December 2023, and projections for the following four-year period from 1 January 2024 to 31 December 2027. The Prospective Financial Information is required to be presented on a basis consistent with the accounting policies of Malita Investments p.l.c.

Inherent limitations

The Prospective Financial Information has been prepared for inclusion in Malita Investments p.l.c.'s Registration Document, in accordance with the requirements of the Capital Market Rules issued by the Malta Financial Services Authority and Commission Delegated Regulation (EU) 2019/980. The basis of preparation and significant assumptions upon which the Prospective Financial Information is based are solely the responsibility of the Directors of Malita Investments p.l.c. and, accordingly, we express no opinion on their validity.



Independent Accountant's Reasonable Assurance Report on the Prospective Financial Information of Malita Investments p.l.c.

To the board of directors of Malita Investments p.l.c.

Inherent limitations (cont'd)

The Prospective Financial Information is not intended to, and does not, provide all the information and disclosures necessary to give a true and fair view of the financial results and the financial position of Malita Investments p.l.c. in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU. Accordingly, we do not give an opinion as to whether the Prospective Financial Information has been properly prepared in accordance with the requirements of IFRSs as adopted by the EU.

Since the Prospective Financial Information and the significant assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Prospective Financial Information, and the differences may be material.

Opinion

In our opinion, the Prospective Financial Information has been properly compiled in line with the basis of preparation and significant assumptions set out in in *Annex III: Prospective Financial Information – Summary of Significant Assumptions and Accounting Policies* of Malita Investments p.l.c.'s Registration Document, and the accounting policies of Malita Investments p.l.c.

Intended users and purpose

The Prospective Financial Information has been prepared for the purposes described above and may therefore not be appropriate for any other purpose. This report is required in terms of rule 5.40 of the Capital Market Rules issued by the Malta Financial Services Authority and is given for the purpose of complying with that regulation and for no other purpose. We have given our consent for the inclusion of this report in Malita Investments p.l.c.'s Registration Document. Save for any responsibility which we may have to those persons to whom this report is expressly addressed, to the fullest extent permitted by law, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the Capital Market Rules.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'S. Mamo', is written over a light blue circular stamp.

Stephen Mamo
Principal

14 February 2024

For and on behalf of
PricewaterhouseCoopers
78 Mill Street,
Zone 5, Central Business District,
Qormi CBD 5090,
Malta

SECURITIES NOTE

dated 14th February 2024

This document is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the Malta Financial Services Authority and in accordance with the provisions of the Prospectus Regulation

Rights Issue of

four New Ordinary Share for every nine Shares held as at the Record Date at an Offer Price of €0.50 per New Ordinary Share and in the event of Lapsed Rights, the Excess Shares Offer
in

MALITA INVESTMENTS P.L.C.

A public limited liability company registered under the laws of Malta with company registration number C 53047



SPONSOR _____

MANAGER &
REGISTRAR _____

LEGAL
COUNSEL _____

**CURMI &
PARTNERS**

BOV
Bank of Valletta


CAMILLERI PREZIOSI
ADVOCATES

THIS SECURITIES NOTE 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 SECURITIES NOTE 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 QUALITY OF THE INSTRUMENTS THAT ARE THE SUBJECT OF THIS SECURITIES NOTE. 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. INVESTORS SHOULD MAKE THEIR OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE SECURITIES. THIS SECURITIES NOTE HAS BEEN DRAWN UP AS PART OF A SIMPLIFIED PROSPECTUS IN ACCORDANCE WITH ARTICLE 14 OF THE PROSPECTUS REGULATION.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS 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 THE PROSPECTUS INCLUDING ANY LOSSES INCURRED BY INVESTING IN SECURITIES ISSUED BY THE ISSUER. 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

Handwritten signature of Marlene Mizzi in black ink.

Marlene Mizzi

Handwritten signature of Robert Suban in black ink.

Robert Suban

signing in their own capacity as directors of the Issuer and on behalf each of Miguel Borg, Victor Carachi, Desiree Cassar, Tania Brown and David Mallia.

IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON A RIGHTS ISSUE AND ON THE OFFER OF LAPSED RIGHTS, AND IS DRAWN UP IN COMPLIANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE ACT AND THE PROSPECTUS REGULATION.

THE ISSUER IS OFFERING THE RIGHTS ON A PRE-EMPTIVE BASIS TO EXISTING SHAREHOLDERS AND IS HEREBY ISSUING NIL PAID RIGHTS TO EXISTING SHAREHOLDERS IN A RATIO OF FOUR NEW ORDINARY SHARES FOR EVERY NINE SHARES HELD BY EXISTING SHAREHOLDERS AS AT THE RECORD DATE, AT AN OFFER PRICE OF €0.50 PER NEW ORDINARY SHARE.

THE RIGHTS ARE RENOUNCEABLE AND ASSIGNABLE BY EXISTING SHAREHOLDERS THROUGH AN INSTRUMENT IN WRITING USING THE FORM OF ACCEPTANCE, AUTHORITY AND ELECTION WHICH WILL BE MAILED BY THE ISSUER TO EXISTING SHAREHOLDERS. NO MARKET WILL BE MADE IN THE RIGHTS ON THE MSE. ACCORDINGLY, THE RIGHTS CANNOT BE TRADED AS A SEPARATE FINANCIAL INSTRUMENT ON THE MSE.

RIGHTS WHICH ARE NOT SUBSCRIBED TO BY ELIGIBLE PARTICIPANTS SHALL CONSTITUTE LAPSED RIGHTS, AND THE NEW ORDINARY SHARES RELATED THERETO WILL CONSTITUTE EXCESS SHARES WHICH WILL BE ALLOCATED TO: (I) INSTITUTIONAL INVESTORS PURSUANT TO PLACEMENT AGREEMENTS; (II) EXISTING SHAREHOLDERS WHICH HAVE ACCEPTED THEIR PROPORTIONATE ENTITLEMENT IN FULL AND APPLIED FOR EXCESS SHARES; AND (III) THE GENERAL PUBLIC, IN NO ORDER OF PREFERENCE, AND SUBJECT TO SCALING DOWN IN ACCORDANCE WITH SECTION 9.4 OF THIS SECURITIES NOTE.

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

NONE OF THE ADVISERS OR ANY PERSON MENTIONED IN THE PROSPECTUS, OTHER THAN THE ISSUER AND ITS DIRECTORS, ARE RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE PROSPECTUS OR ANY SUPPLEMENT THEREOF OR ANY DOCUMENTS INCORPORATED BY REFERENCE, AND ACCORDINGLY, TO THE EXTENT PERMITTED BY THE LAWS OF ANY RELEVANT JURISDICTION, NONE OF THESE PERSONS ACCEPTS ANY RESPONSIBILITY AS TO THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OF THESE DOCUMENTS.

THIS SECURITIES NOTE DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR THE PURPOSES OF, AN OFFER, SOLICITATION OR INVITATION TO SUBSCRIBE FOR THE NEW ORDINARY SHARES, BY ANY PERSON IN ANY JURISDICTION: (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT AND: (I) ANY EXISTING SHAREHOLDER TO WHOM THIS OFFER AND A FORM OF ACCEPTANCE, AUTHORITY AND ELECTION IS ADDRESSED; (II) ANY ASSIGNEE WISHING TO SUBSCRIBE FOR ANY NEW ORDINARY SHARES PURSUANT TO AN ASSIGNMENT OF RIGHTS FROM AN EXISTING SHAREHOLDER; AND (III) ANY OTHER PERSON SUBSCRIBING TO EXCESS SHARES, TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION.

EXISTING SHAREHOLDERS WISHING TO ACCEPT ALL OF THE RIGHTS ALLOCATED TO THEM AND SUBSCRIBE FOR EXCESS SHARES OR, OTHERWISE OPTING TO ACCEPT PART AND, OR ASSIGN PART OR ALL OF THEIR RIGHTS, SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF ACCEPTING SUCH ALLOCATION OR OF ASSIGNING THEIR RIGHTS TO THIRD PARTIES TO SUBSCRIBE FOR NEW ORDINARY SHARES AS WELL AS ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND FISCAL OBLIGATIONS IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE AND THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE OF THOSE PERSONS IN WHOSE FAVOUR THEY MAY ASSIGN THEIR RIGHTS FOR THE SUBSCRIPTION OF NEW ORDINARY SHARES.

IN ADDITION: (I) ASSIGNEES OF THE RIGHTS AGREEING TO SUBSCRIBE FOR NEW ORDINARY SHARES THROUGH AN ASSIGNMENT FROM AN EXISTING SHAREHOLDER; AND (II) ANY OTHER PERSON APPLYING TO SUBSCRIBE TO NEW ORDINARY SHARES, SHOULD INFORM THEMSELVES AS TO THE LEGAL

REQUIREMENTS TO SUBSCRIBE FOR NEW ORDINARY SHARES AS WELL AS ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND FISCAL OBLIGATIONS IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE OFFER IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE NEW ORDINARY SHARES 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 NEW ORDINARY SHARES MAY BE OFFERED, DIRECTLY OR INDIRECTLY, AND NEITHER THIS SECURITIES NOTE 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 THIS SECURITIES NOTE MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THIS SECURITIES NOTE AND ON THE OFFER.

THE RIGHTS AND THE NEW ORDINARY SHARES HAVE NOT BEEN NOR WILL THEY BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933, AS AMENDED, OR UNDER ANY FEDERAL OR STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, 1933. FURTHERMORE, THE ISSUER WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT, 1940, AS AMENDED, AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS SET OUT THEREIN.

THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE, DO NOT FORM PART OF THIS DOCUMENT. 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 THE NEW ORDINARY SHARES.

ALL THE ADVISERS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON. NONE OF THE ADVISERS ACCEPT ANY RESPONSIBILITY TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTION PROPOSED IN THE PROSPECTUS, AND, OR THE CONTENTS OF, AND ANY INFORMATION CONTAINED IN, THE PROSPECTUS, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH.

THIS DOCUMENT, THE FAAEs, APPLICATION FORMS AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA, AND ANY PERSON ACQUIRING ANY NEW ORDINARY SHARES PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE ISSUER TO BRING ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THE OFFER OR ANY AGREEMENT RESULTING HEREFROM OR THE PROSPECTUS AS A WHOLE IN ANY OTHER COMPETENT JURISDICTION.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL ADVISER AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE NEW ORDINARY SHARES.

THIS SECURITIES NOTE IS VALID FOR A PERIOD OF TWELVE MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THIS SECURITIES NOTE IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

A COPY OF THIS SECURITIES NOTE HAS BEEN SUBMITTED TO THE MALTA FINANCIAL SERVICES AUTHORITY IN SATISFACTION OF THE CAPITAL MARKETS RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS, AND THE REGISTRAR OF COMPANIES AT THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE ACT.

STATEMENTS MADE IN THIS SECURITIES NOTE ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

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1. DEFINITIONS

Words and expressions and capitalised terms used in this Securities Note shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words, expressed in capitalised terms as indicated in the Registration Document. Additionally, the following words and expressions as used in this Securities Note shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires.

Applicant	means a person, other than an Eligible Participant, who applies for Excess Shares by the lodging of an Application with an Authorised Financial Intermediary;
Application	the application to subscribe for Excess Shares made by an Applicant by completing an Application Form and delivering same to any of the Authorised Financial Intermediaries (which include the Sponsor and the Manager & Registrar) in accordance with the terms of this Securities Note;
Application Form	means the form of application for subscription of Excess Shares to be completed by Applicants, a specimen of which is contained in Annex 3 to this Securities Note;
Assignee(s)	a person who acquires Rights from an Existing Shareholder in accordance with the terms of this Securities Note;
Assigned Entitlement	the Rights assigned to Assignees by Existing Shareholders in accordance with the procedure set out in sections 6.5.2.3 and 6.5.2.4 of this Securities Note;
CSD	the Central Securities Depository of the MSE established pursuant to article 24 of the Financial Markets Act (Cap. 345 of the laws of Malta), and situated at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Eligible Participants	means: (i) Existing Shareholders; and (ii) Assignees; as applicable;
Excess Shares	such number of New Ordinary Shares in an amount equivalent to Lapsed Rights which shall be available for subscription by: (i) Institutional Investors pursuant to Placement Agreements (ii) Existing Shareholders who have accepted their Proportionate Entitlement in full and have indicated their willingness to subscribe for Excess Shares by completing the appropriate section of a FAAE during the Offer Period; and (iii) Applicants by virtue of the completion of an Application Form during the Offer Period;
Excess Shares Offer	the offer of Excess Shares to be made to: (i) Institutional Investors pursuant to Placement Agreements; (ii) Existing Shareholders subject to them having accepted their Proportionate Entitlement in full; and (iii) the general public, in the event that the Rights Issue is not subscribed in full;
Existing Shareholders	the Issuer's shareholders appearing on the Register of Members as at the Record Date and that, on such date, hold Shares that would provide them with a Proportionate Entitlement of not less than one (1) Right;
Forms of Acceptance, Authority and Election or FAAE	the application forms, a sample of which is set out in Annex 2 of this Securities Note, addressed to Existing Shareholders by the Issuer setting out the Rights allocated to them and pursuant to which Existing Shareholders shall be entitled to, and may bind themselves to, accept, in whole or in part, their Proportionate Entitlement and apply for any Excess Shares (as applicable), or otherwise renounce to part or all of their Rights in favour of Assignees;
Institutional Investor	means a "professional client" as defined in MIFID II;

Issuer	Malita Investments p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 53047 and having its registered office at Clock Tower, Level 1, Tigne Point, Sliema, Malta;
Lapsed Rights	any Rights which Existing Shareholders fail to accept or otherwise assign or pay for by the closing of the Offer Period;
MIFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast);
New Ordinary Shares	the new ordinary shares of a nominal value of €0.50 per Share to form part of the issued share capital of the Issuer further to subscription thereof by Existing Shareholders pursuant to the Rights Issue and by Applicants pursuant to the Excess Shares Offer, as the case may be;
Offer	collectively, (i) the Rights Issue; and (ii) the Excess Shares Offer;
Offer Period	the period between and including 08:30 hours on 28 th February 2024 and 14:00 hours on 15 th March 2024 during which FAAEs and Application Forms are accepted by Authorised Financial Intermediaries pursuant to the Rights Issue and Excess Shares Offer;
Offer Price	the price of €0.50 per New Ordinary Share;
Overseas Shareholders	Existing Shareholders whose registered address on the Register of Members is in a country other than Malta;
Placement Agreement	has the meaning assigned to it in Section 5.1 of this Securities Note;
Proportionate Entitlement	the entitlement of each Existing Shareholder to Rights in a ratio of four New Ordinary Shares for every nine Shares held by such Existing Shareholder as registered against the Shareholder's name in the Register of Members as at the Record Date subject to rounding downwards in the case of a resulting fraction of a Share;
Record Date	close of business of 20 th February, 2024 being the trading session of 16 th February, 2024;
Register of Members	the list of shareholders of the Issuer maintained and held by the CSD;
Registration Advice	means the notification sent by the CSD in the event of sales and, or purchases of financial instruments on the MSE;
Rights	the entitlements in nil paid form to acquire the New Ordinary Shares subject to the payment of the Offer Price and the conditions set out in the Prospectus at a ratio of four New Ordinary Shares for every nine Shares held by Existing Shareholders as at the Record Date;
Rights Issue	the offer of the Rights during the Offer Period to Existing Shareholders as described in this Securities Note;
Shares	collectively, the issued share capital of the Issuer as at the date of this Securities Note, and the New Ordinary Shares once issued;
Shareholders	the persons registered in the Issuer's Register of Members as holding shares in the Issuer from time to time; and
Terms and Conditions	the terms and conditions contained in Sections 5, 6, 7 and 8 of this Securities Note.

All references in the Prospectus to “Malta” are to the “Republic of Malta”.

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 Securities Note 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 Securities Note.

2. RISK FACTORS

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.

AN INVESTMENT IN THE NEW ORDINARY SHARES INVOLVES CERTAIN RISKS, INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN FINANCIAL ADVISER AND OTHER PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE DECIDING TO INVEST IN THE NEW ORDINARY SHARES. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND NEITHER THE DIRECTORS NOR THE ISSUER ARE IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR THAT THE DIRECTORS OF THE ISSUER HAVE ASSESSED TO BE, AS AT THE DATE OF THIS SECURITIES NOTE, THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AND WHICH CAN BE CORROBORATED BY THE NATURE OF THE SHARES, AND THE TERMS AND CONDITIONS THEREOF, THAT ARE SUBJECT TO THE OFFER BEING MADE UNDER THIS SECURITIES NOTE. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS OF THE ISSUER HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT A RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER AND ITS SECURITIES IF SUCH RISK FACTOR WERE TO MATERIALISE.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A NEGATIVE EFFECT ON THE VALUE OF THE NEW ORDINARY SHARES AND THE SHARES GENERALLY. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER FACES. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE DIRECTORS ARE NOT CURRENTLY AWARE OF OR CURRENTLY DEEM TO BE IMMATERIAL, MAY WELL RESULT IN A MATERIAL IMPACT ON THE INVESTMENTS IN THE SHARES AND THE VALUE THEREOF.

THE PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE THEREIN, AND, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NEW ORDINARY SHARES:

- (I) IS NOT INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION; AND
- (II) SHOULD NOT BE CONSIDERED OR CONSTRUED TO CONSTITUTE, A RECOMMENDATION BY THE ISSUER OR THE ADVISERS LISTED IN SECTION 4 OF THE REGISTRATION DOCUMENT, OR ANY OF THE OTHER FINANCIAL INTERMEDIARIES, TO PURCHASE, OR SUBSCRIBE TO THE NEW ORDINARY SHARES, AS APPLICABLE. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT; AND
- (III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE “*FORWARD-LOOKING STATEMENTS*”.

THE RISK FACTORS MENTIONED IN THIS SECURITIES NOTE SHOULD BE READ IN CONJUNCTION WITH ALL OF THE RISK FACTORS INCLUDED IN THE REGISTRATION DOCUMENT WHICH SETS OUT RISK FACTORS THAT MAY HAVE AN IMPACT OR EFFECT ON THE ISSUER AND ITS BUSINESS. PROSPECTIVE INVESTORS ARE URGED TO READ CAREFULLY THE RISK FACTORS CONTAINED BOTH IN THIS SECURITIES NOTE AND THE REGISTRATION DOCUMENT BEFORE COMMITTING TO SUBSCRIBE FOR ANY NEW ORDINARY SHARES OR OTHERWISE ACCEPTING THE RIGHTS ISSUE.

Forward-looking statements and financial forecasts

This Securities Note contains statements that are, or may be deemed to be, “forward-looking statements”. Forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “forecasts”, “projects”, “anticipates”, “expects”, “envisages”, “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 include statements regarding the intentions, beliefs or current expectations of the Issuer and, or the Directors concerning, amongst other things, the Issuer’s strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets 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 actual operational results, financial condition and performance, and trading prospects may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the operational results, financial condition and performance, and trading prospects of the Issuer 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 this section 2 of this Securities Note and elsewhere in the Prospectus.

All forward-looking statements contained in this Securities Note are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Issuer 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.

2.1 Suitability

All Existing Shareholders are already exposed to an investment in the Shares. However, the acceptance of the Rights Issue and the consequent subscription of part or all of the Proportionate Entitlement will increase the exposure of Existing Shareholders to the Issuer and its future performance. Any additional exposure to the Shares may not be suitable for every Existing Shareholder. Accordingly, Existing Shareholders are urged to consult a licensed stockbroker or an investment adviser licensed under the Investment Services Act (Cap. 370 of the laws of Malta) as to the suitability or otherwise of a further investment in the Shares before making an investment decision to accept their Proportionate Entitlement under the Rights Issue and any Excess Shares they may subscribe for.

In addition, an investment in the New Ordinary Shares may not be suitable for all Eligible Participants, including Assignees, and an investment in the Excess Shares may not be suitable for all investors subscribing to Excess Shares. Accordingly, any person seeking to invest in the New Ordinary Shares is urged to refer to the Prospectus and consult a licensed stockbroker or an investment adviser licensed under the Investment Services Act (Cap. 370 of the laws of Malta) as to the suitability or otherwise of an investment in the New Ordinary Shares before making an investment decision.

An informed investment decision can only be made by investors after they have read and fully understood the risk factors associated with an investment in the New Ordinary Shares and the inherent risks associated with the Issuer’s business. In the event that an investor in the New Ordinary Shares does not seek professional advice and, or does not read and fully understand the provisions of this Securities Note, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile and circumstances.

2.2 Orderly and Liquid Market

The existence of an orderly and liquid market for the New Ordinary Shares depends on a number of factors, many of which are beyond the Issuer’s control, including, but not limited to, the presence of willing buyers and sellers of the New Ordinary Shares at any given time and the general economic conditions in the market in which the Shares are traded, namely the Official List. Accordingly, there can be no assurance that an active secondary market for the New Ordinary Shares will develop or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to sell or otherwise trade in the New Ordinary Shares at all.

2.3 Volatility in the Price of the Shares

Following the completion of the Offer and the allocation of the New Ordinary Shares, the price at which the Shares, including the New Ordinary Shares, will be traded, as well as the volume of trades, may fluctuate. There can be no guarantee of the price which may be realised by investors in the New Ordinary Shares. Movements in the price of the Shares are influenced by a multitude of factors, some of which may be specific to the Issuer, its proposed operations and ability to implement its intended strategies. It is also possible that the Issuer's results of operations or its business outlook may fall short of expectations, in which case the price of the Shares could be negatively affected. In addition, limited trading in the Shares could increase the price volatility of the Shares and may limit the ability of investors to trade the Shares, including the New Ordinary Shares, in the amount, at the price and at the time desired.

A number of factors, some of which are outside the control of the Issuer, may impact the price and performance of the Shares, including:

- (i) prevailing economic conditions in Malta and conditions or trends in the Maltese commercial property market generally;
- (ii) differences between the Issuer's expected and actual operating performance as well as between expected and actual performance of the property acquisition and rental industry generally;
- (iii) strategic actions by the Issuer or its competitors, such as mergers, acquisitions, partnerships and restructurings;
- (iv) speculation, whether or not well founded, about possible changes in the Issuer's management team;
- (v) the publication of research reports by analysts or failure to meet analysts' forecasts; and
- (vi) regulatory changes.

2.4 Suspension of trading or discontinuation of listing

Even after the New Ordinary Shares are admitted to listing and trading on the Official List, the Issuer must remain in compliance with various ongoing regulatory requirements, including the continuing obligations and other requirements set out in the Capital Markets Rules. The MFSA has the authority to suspend trading of the Shares if, among other things, it believes that such a suspension is required for the protection of investors or of the integrity or reputation of the market. Furthermore, the MFSA may discontinue the listing and, or trading of the Shares if, *inter alia*, it is satisfied that, owing to special circumstances, normal regular dealings in the New Ordinary Shares are no longer possible, or upon the request of the Issuer or the MSE. Any such trading suspensions or listing revocations and, or discontinuations described above, could have a material adverse effect on the liquidity and value of the New Ordinary Shares.

2.5 Dividends

There can be no guarantee that the Issuer will pay dividends on a regular basis or at all. The extent of any dividend distribution by the Issuer will depend upon, amongst other factors, profits available for distribution, the Board of Directors' view on the prevailing market outlook, any debt servicing requirements, the cash flows of the Issuer, working capital requirements, the Board of Directors view on future investments and capital expenditure requirements, and the requirements of the Act.

The Issuer's approach to dividend pay-outs described under the heading entitled '*Dividend Policy*' found in section 12.2 of the Registration Document should be read and construed accordingly.

2.6 Dilution Risk

The rights of Existing Shareholders to subscribe for New Ordinary Shares ensure that each Existing Shareholder exercising its subscription rights under the Rights Issue will continue to hold no less than his or her current percentage share in the share capital of the Issuer. If an Existing Shareholder does not exercise the subscription rights granted under the Rights Issue or exercises the subscription rights only in part, his or her percentage shareholding in the Issuer will be reduced and his or her voting rights will be diluted. This dilution will be proportional to the percentage by which the share capital of the Issuer is increased and to the extent to which the Existing Shareholder does not participate in the Rights Issue.

Even if an Existing Shareholder elects to transfer the unexercised Rights, or such Rights are sold on his or her behalf, the consideration s/he receives may not be sufficient to compensate him fully for the dilution of his or her percentage ownership of the Issuer's share capital that may be caused as a result of the Rights Issue.

2.8 Future issues by the Issuer

Any future issues of shares by the Issuer will further dilute the holdings of Existing Shareholders and could adversely affect the market price of the Issuer's shares. Other than the proposed issue of New Ordinary Shares under the Rights Issue, the Issuer has no current plans for an offering of shares. However, it is possible that the Issuer may decide to offer additional shares in the future either to raise capital or for other purposes. If the then Existing Shareholders were not to take up such offer of shares or were not eligible to participate in such offering, their proportionate ownership and voting interests in the Issuer would be reduced and the percentage that their shares would represent of the total share capital

of the Issuer would be reduced accordingly. Any additional offering, or significant sale of shares by any of the Issuer's major shareholders, could have a material adverse effect on the market price of the Issuer's shares as a whole, including that of the New Ordinary Shares.

2.9 Shareholder Currency of Reference

A Shareholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the New Ordinary Shares (i.e. the Euro) and the Shareholder's currency of reference, if different. Such adverse fluctuations may impair the return of investment of the Shareholder in real terms after taking into account the relevant exchange rate.

2.10 Overseas Shareholders may not be able to receive the New Ordinary Shares in the Rights Issue

Overseas Shareholders may not be able to receive the New Ordinary Shares subject to the Rights Issue, as securities laws of certain jurisdictions may restrict the Issuer's ability to allow participation by Shareholders in the Rights Issue. Securities laws of certain other jurisdictions may restrict the Issuer's ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Issuer. Unless the Issuer is, at its sole discretion, satisfied that the dispatch of FAAEs to Overseas Shareholders would not result in a contravention of any applicable legal or regulatory requirement in the relevant jurisdiction, such Overseas Shareholders will not receive the FAAE required in order for them to participate in the Rights Issue. Shareholders who have a registered address in, or who are resident in, or who are citizens of, countries other than Malta should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to receive the New Ordinary Shares in the Rights Issue.

3. PERSONS RESPONSIBLE, CONSENT FOR USE OF PROSPECTUS, AND STATEMENT OF APPROVAL

3.1. PERSONS RESPONSIBLE

All of the Directors, whose names appear in section 8.1 of the Registration Document, accept responsibility for the information contained in this Securities Note. 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 Securities Note is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly. They have been advised and assisted in the drafting and compilation of the Prospectus by the persons mentioned under the heading '*Statutory Auditors and Advisers*' found in section 4 of the Registration Document.

3.2. CONSENT FOR USE OF PROSPECTUS

Consent in connection with the use of the Prospectus by the Authorised Financial Intermediary(ies) during the Offer Period:

For the purposes of any subscription for the Excess Shares through any of the Authorised Financial Intermediaries during the Offer Period, in terms of this Securities Note and any subsequent resale, placement or other offering of the Excess Shares by such Authorised Financial Intermediary in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Regulation, the Issuer consents to the use of this Securities Note (and accepts responsibility for the information contained herein) with respect to any such subsequent resale or placement or other offering of the Excess Shares, provided this is limited only:

- i. in respect of the Excess Shares subscribed for during the Offer Period;
- ii. to any resale or placement of the Excess Shares subscribed for as aforesaid, taking place in Malta; and
- iii. to any resale or placement of the Excess Shares subscribed for as aforesaid, taking place within the period of 120 days from the date of the Prospectus.

It is solely the responsibility of the Authorised Financial Intermediary to ensure its compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to a resale or placement of Excess Shares.

Other than as set out above, neither the Issuer nor the Sponsor have authorised (nor do they authorise or consent to the use of this Securities Note in connection with) the making of any public offer of the Excess Shares by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Issuer or the Sponsor and neither the Issuer nor the Sponsor has any responsibility or liability for the actions of any person making such offers.

Investors should enquire whether an intermediary is considered to be an Authorised Financial Intermediary in terms of the Prospectus. If the investor is in doubt as to whether it can rely on the Prospectus and, or who is responsible for its contents, he or she should obtain legal advice.

No person has been authorised to give any information or to make any representation not contained in or inconsistent with this Securities Note. If given or made, it must not be relied upon as having been authorised by the Issuer or its advisers. The Issuer does not accept responsibility for any information not contained in this Securities Note.

In the event of a resale, placement or other offering of the Excess Shares by the Authorised Financial Intermediary, the Authorised Financial Intermediary shall be responsible to provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.

Any resale, placement or other offering of the Excess Shares to an investor by an Authorised Financial Intermediary will be made in accordance with any terms and other arrangements in place between such Authorised Financial Intermediary and such investor including as to price, allocations and settlement arrangements. Where such information is not contained in the Prospectus, it will be the responsibility of the applicable Authorised Financial Intermediary at the time of such resale, placement or other offering to provide the investor with that information and neither the Issuer nor the Sponsor has any responsibility or liability for such information.

Any Authorised Financial Intermediary using this Securities Note in connection with a resale, placement or other offering of shares subsequent to the Offer shall, limitedly for the period of 120 days from the date of the Prospectus, publish on its website a notice to the effect that it is using this Securities Note for such resale, placement or other offering in accordance with the consent of the Issuer and the conditions attached thereto. The consent provided herein shall no longer apply following the lapse of such period.

Any new information with respect to any Authorised Financial Intermediary unknown at the time of the approval of this Securities Note will be made available through a company announcement which will also be made available on the Issuer's website: <https://malitainvestments.com/>.

3.3. AUTHORISATION STATEMENT

This Securities Note has been approved by the Malta Financial Services Authority as the competent authority in Malta under the Prospectus Regulation. This means that the MFSA has authorised this Securities Note 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 or the quality of the New Ordinary Shares that are the subject of this Securities Note.

4. ESSENTIAL INFORMATION

4.1 WORKING CAPITAL STATEMENT

The Directors, after reasonable inquiry and after taking the proceeds of the Offer into consideration, are of the opinion that the working capital available to the Issuer is sufficient for the Issuer's present business requirements for a period of at least 12 months from the date of the Prospectus.

4.2 CAPITALISATION AND INDEBTEDNESS

This section includes a summary of the capitalisation and indebtedness of the Issuer:

Statement of Capitalisation

	31 December 2022 (audited) €000s	30 June 2023 (unaudited) €000s	30 November 2023 (unaudited) €000s
Current debt (including current portion of non-current debt)			
Bank debt (secured and guaranteed)	-	-	1,074
Bank debt (secured)	1,851	2,120	2,141
Bank debt (unsecured and unguaranteed)	465	473	480
Total current debt	2,316	2,593	3,695
Non-current debt (excluding current portion of non-current debt)			
Bank debt (secured and guaranteed)	53,700	53,700	52,626
Bank debt (secured)	31,538	30,391	29,479
Bank debt (unsecured and unguaranteed)	4,339	4,104	3,826
Total non-current debt	89,577	88,195	85,931
Shareholder's equity			
Share capital	73,295	73,295	73,295
Retained earnings	12,335	13,657	14,761
Non-distributable reserve - fair value movements*	55,765	62,525	62,525
Non-distributable reserve - other	4,345	4,609	4,609
Total shareholder's equity	145,740	154,086	155,190
Total capitalisation	237,633	244,874	244,816

* The company updates the fair value model of its investment properties on a semi annual basis. Accordingly, the fair value reserve as at 30 November 2023 includes fair value movements, net of deferred tax, based on the model updated up to 30 June 2023.

As at 30 November 2023, the Issuer's total capitalisation amounted to €244.8million and included €155.2million in shareholders' equity and €89.6million in current and non-current debt. Out of the total debt as at 30 November 2023, €53.7million is secured by a special hypothec over the temporary emphyteusis granted to the Issuer in terms of the Affordable Housing Emphyteutical Deed and by a general hypothec over the affordable housing units being financed, and is guaranteed by Bank of Valletta in favour of the lending banks. Of the remaining debt, €31.6million is secured by pledges over the Issuer's receivables from the lease of the Parliament Building and the Open-Air Theatre.

Statement of Indebtedness

	31 December 2022 (audited) €000s	30 June 2023 (unaudited) €000s	30 November 2023 (unaudited) €000s
Cash and cash equivalents	17,364	10,966	3,712
Other current financial assets	2,000	3,000	3,000
Liquidity (A)	19,364	13,966	6,712
Current financial debt	-	-	-
Current portion of non-current financial bank debt	2,316	2,593	3,694
Current portion of non-current financial debt (leases)	58	119	-
Current capital creditors	5,690	7,709	1,897
Current financial indebtedness (B)	8,064	10,421	5,592
Net current financial indebtedness (B) - (A) = (D)	(11,300)	(3,545)	(1,120)
Non-current financial bank debt	89,577	88,195	85,967
Non-current financial debt (leases)	3,333	3,346	3,406
Non-current capital creditors	2,423	367	2,645
Non-current financial indebtedness (C)	95,333	91,908	92,018
Net financial indebtedness (D) + (C)	84,033	88,363	90,898

As at 30 November 2023, the Issuer's net indebtedness position amounted to €90.9million. This balance primarily relates to borrowings obtained to fund the Affordable Housing Project and the construction of the Parliament Building and the Open-Air Theatre and has increased by €2.5million from 30 June 2023.

Total indebtedness as at 30 November 2023 comprises:

- Cash and cash equivalents of €3.7million, which are freely transferable and unencumbered;
- Other current financial assets (bank term deposits) of €3.0million;
- Bank borrowings (current and non-current) of €89.7million;
- Lease liabilities (current and non-current) of €3.4million; and
- Capital creditors (current and non-current) of €4.5million.

4.3 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER

Other than the possible subscription for New Ordinary Shares by Authorised Financial Intermediaries (which include the Sponsor and the Manager & Registrar) and any fees payable to Curmi & Partners Ltd as Sponsor and Bank of Valletta p.l.c. as Manager & Registrar in connection with the Offer, in so far as the Issuer is aware, no person involved in the Offer has an interest, conflicting or otherwise, which is material to the Offer.

4.4 REASONS FOR THE OFFER AND USE OF PROCEEDS

The Issuer requires €62 million to fund the capital expenditure of the Affordable Housing Project. The net proceeds from the issue of New Ordinary Shares, which net of issue expenses are expected to amount to up to €32,462,903, will be utilised by the Issuer towards part-financing the required capital expenditure for the Affordable Housing Project. The balance required for completion of the said project shall be financed through reputable credit institutions.

4.5 EXPENSES

Professional fees, and costs related to publicity, advertising, printing, listing, registration, Sponsor and Manager & Registrar activities, selling commission, and other miscellaneous expenses in connection with the Offer are estimated not to exceed €450,000 and shall be borne exclusively by the Issuer. There is no particular order of priority with respect to such expenses.

5. INFORMATION CONCERNING THE OFFER AND THE NEW ORDINARY SHARES

This section provides brief information on the Offer and the New Ordinary Shares to be admitted to trading.

5.1 OFFER STATISTICS

The Offer	collectively, (i) the Rights Issue; and (ii) the Excess Shares Offer.
Amount of Rights issued and resultant capital increase	the Issuer has issued and allocated Rights to Existing Shareholders to subscribe to up to 65,825,806 New Ordinary Shares (subject to rounding downwards in the case of a resulting fraction of a Share). The Rights have been issued and allocated on the basis of the ratio of four New Ordinary Shares for every nine Shares held by Existing Shareholders as at the Record Date. Accordingly, Existing Shareholders are entitled to acquire four New Ordinary Shares for every nine Shares held as at the Record Date, at an Offer Price of €0.50 per New Ordinary Share. Through the Rights Issue, and assuming the take up in full of all New Ordinary Shares, the number of issued shares in the Issuer will increase from 148,108,064 to 213,933,870. The New Ordinary Shares, once issued, would constitute an increase of 44% in the issued share capital of the Issuer.
Assignment of the Rights	<p>an Existing Shareholder is entitled to renounce all or part of the Rights allocated by the Issuer in favour of any third party under such terms and conditions as may be agreed between the parties. The Rights shall not be separately listed or traded on the MSE and may only be assigned by completing the appropriate section of the FAAE B – Split/Assign and by submitting the form to any Authorised Financial Intermediary.</p> <p>The right to assign the Rights pertains only to Existing Shareholders. The right to assign the Rights is not available to Assignees. Other than the right of Existing Shareholders to assign all or part of their Rights to third parties, the Rights may not be traded.</p>
Class of Shares	the New Ordinary Shares form part of the only class of ordinary shares of the Issuer in issue and shall accordingly have the same rights and entitlements as the Shares of the Issuer currently in issue.
Offer Price	the price of €0.50 per New Ordinary Share.
Legislation under which the New Ordinary Shares will be created	the New Ordinary Shares will be created in terms of the Act.
Registered Form	the New Ordinary Shares will be issued in fully registered and dematerialised book-entry form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD or in such other form as may be determined from time to time by applicable law, the requirements of the MSE or the Issuer.
Currency of New Ordinary Shares	Euro (€)
ISIN of the Shares (including the New Ordinary Shares)	MT2000610003
Lapsed Rights	any Rights which Existing Shareholders fail to accept or otherwise assign and pay for by the closing of the Offer Period.

Irrevocable Undertaking by the Government of Malta	<p>on the 11th December, 2023, the Government of Malta has provided an irrevocable undertaking to the Issuer that it shall subscribe to its Proportionate Entitlement in full, subject to it renouncing to such portion of its Proportionate Entitlement as would enable the Issuer to satisfy subscriptions or applications for Excess Shares by Institutional Investors pursuant to Placement Agreements, other Existing Shareholders or Applicants, respectively, which remain unsatisfied in full or in part, and further provided that it shall retain such portion of its Proportionate Entitlement so as to enable it to retain at least 70% of the issued share capital of the Issuer following the issue of the New Ordinary Shares. The Government of Malta has also irrevocably undertaken not to apply for Excess Shares.</p> <p>The Government of Malta has also provided the Issuer with an irrevocable undertaking that it will not sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the Shares held by it from the date of the irrevocable undertaking to the date of completion of the Offer.</p>
Placement Agreements	<p>the Issuer has irrevocably undertaken to allocate an aggregate amount of up to 20,846,827 Excess Shares to Institutional Investors which are party to placement agreements with the Issuer. In terms of the placement agreements, the Issuer binds itself to allocate a specified amount of Excess Shares to the respective Institutional Investor, which in turn, binds itself to subscribe to that amount, subject to the New Ordinary Shares being admitted to trading on the Official List.</p>
Plan of Distribution	<p>the New Ordinary Shares are open for subscription by the following persons:</p> <ul style="list-style-type: none"> (i) Existing Shareholders up to their Proportionate Entitlement during the Offer Period; (ii) Assignees up to the Assigned Entitlement in their favour during the Offer Period; (iii) Institutional Investors pursuant to Placement Agreements; (iv) to the extent that following (i), (ii) and (iii) there shall remain Excess Shares, such Excess Shares shall be available for allocation to: Existing Shareholders who have accepted their Proportionate Entitlement in full and applied for Excess Shares during the Offer Period, and Applicants applying for Excess Shares through Authorised Financial Intermediaries during the Offer Period in accordance with the allocation policy set out in section 9.4 of this Securities Note.
Listing	<p>application has been made for the New Ordinary Shares to be admitted to listing on the Official List and for trading to commence thereafter. Admission to listing of the New Ordinary Shares on the Official List is expected on 1st April 2024.</p> <p>The Rights shall not be admitted to listing on the Official List and there shall be no trading in the Rights.</p>
Dispatch by mail of FAAEs to Existing Shareholders	<p>expected 27th February 2024.</p>
Offer Period	<p>between 28th February, 2024 and 15th March, 2024, both days included.</p>
Target Market	<p>principally, retail and non-retail investors in Malta.</p>

5.2 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO THE SHARES, INCLUDING NEW ORDINARY SHARES

The New Ordinary Shares form part of the only class of ordinary shares of the Issuer in issue and shall accordingly have the same rights and entitlements as all other ordinary shares of the Issuer currently in issue.

The following is an overview of the rights, preferences and restrictions attaching to the New Ordinary Shares:

5.2.1 DIVIDENDS

The New Ordinary Shares shall carry the right to participate in any distribution of dividend declared by the Issuer *pari passu* with any other Shares.

The declaration of dividends is at the discretion of the Directors. The Board's policy is to pay an interim and final dividend each year. In addition, the Issuer can only make a distribution to the holders of the New Ordinary Shares from distributable reserves. This means that distribution can only happen if, at the time, the amount of the net assets of the Issuer is not less than the aggregate of its called-up share capital and non-distributable reserves, and if and to the extent that the distribution does not reduce the amount of those assets to less than that aggregate. Further details on the Issuer's approach to dividend pay-outs is described under the heading '*Dividend Policy*' found in section 12.2 of the Registration Document.

5.2.2 VOTING RIGHTS

Each New Ordinary Share issued shall carry one vote at general meetings of Shareholders.

5.2.3 CAPITAL DISTRIBUTIONS

The New Ordinary Shares shall carry the right for the holders thereof to participate in any distribution of capital made whether in the context of a winding up or otherwise, *pari passu* with all other holders of ordinary shares of the Issuer.

5.2.4 TRANSFERABILITY & RESTRICTIONS

Subject to the restrictions described in section 5.2.5. and section 5.2.6. of this Securities Note, the New Ordinary Shares are freely transferable and once admitted to the Official List shall be transferable in accordance with the applicable rules and regulations thereof.

5.2.5 RESTRICTIONS ON HOLDINGS

No person may, whether directly or indirectly, and in any manner whatsoever, acquire or hold a beneficial interest in the Shares in excess of 5% of the total issued share capital of the Issuer having voting rights (the "**Prescribed Ceiling**"). Any person who holds, directly or indirectly, Shares in excess of the Prescribed Ceiling, shall by resolution of the Directors, after due verification, be disenfranchised and divested of any and all voting rights attached to the respective Shares in excess of the Prescribed Ceiling held by such person. The foregoing does not apply to Shares held by:

- (i) the Government of Malta;
- (ii) an underwriter or sub-underwriter under the provisions of an underwriting or sub-underwriting agreement;
- (iii) custodians in their custodian capacity provided such custodians can only exercise voting rights attached to such shares under instructions given in writing or by electronic means by the underlying beneficial owner/s.

5.2.6 PRESCRIBED MINIMUM HOLDING

The Government of Malta, whether directly or indirectly (through an entity or body corporate wholly owned and controlled by the Government of Malta) must hold at least seventy percent (70%) of the issued share capital of the Issuer. Any transfer of shares by the Government of Malta or any issuance of shares by the Issuer which has the effect of reducing the holding or otherwise diluting the holding of the Government of Malta to less than the afore-mentioned percentage (70%), shall be null and void unless such transfer or issuance is made pursuant to the prior approval of the House of Representatives and evidence of such approval is submitted to the Issuer.

5.2.7 PRE-EMPTION RIGHTS IN OFFERS FOR SUBSCRIPTION OF SECURITIES OF THE SAME CLASS

In accordance with article 88 of the Act and article 8.1 of the Articles, in issuing and allotting new Shares, the Issuer: (a) shall not allot any equity securities on any terms to any person unless an offer has first been made to each existing shareholder to allot to such shareholder at least on the same terms, a proportion of those equity securities which is as nearly as practicable equal to the aggregate proportion of Shares held by such shareholder (in nominal value) immediately prior to the issue of new Shares; and (b) shall not allot any of those equity securities so offered to any person, prior to the expiration of any period of offer made to existing shareholders in terms of article 8.1 (a) of the Articles. Any such equity securities not subscribed for by Existing Shareholders in terms of their pre-emption rights may be allotted to the general public under the same or other conditions which however cannot be more favourable to the public than an offer made under article 8.1(a) of the Articles.

A Shareholder has the right to assign in favour of third parties his right to accept an offer made to him for the allotment of New Ordinary Shares for a cash consideration under such terms and conditions as may be agreed and settled between the parties.

This right of pre-emption may be restricted or withdrawn by an extraordinary resolution of the general meeting of Shareholders.

5.2.8 MANDATORY TAKEOVER BIDS, SQUEEZE-OUT AND SELL-OUT RULES

Chapter 11 of the Capital Markets Rules, implementing the relevant provisions of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004, regulates the acquisition by a person or persons, acting in concert, of

the control of a company and provides specific rules on takeover bids and the squeeze-out and sell-out mechanisms. The Shareholders of the Issuer may be protected by the said Capital Markets Rules in the event that the Issuer is the subject of a Takeover Bid (as defined therein). The Capital Markets Rules may be viewed on the official website of the MFSA: <https://www.mfsa.mt/our-work/capital-markets-supervision/#CMS>.

Chapter 11 of the Capital Markets Rules may be subject to changes following the publication of this Securities Note. Investors should consult with their advisers as to the implications of such changes as and when amendments to Chapter 11 of the Capital Markets Rules take effect.

5.2.9 CONVERSION AND REDEMPTION OF SHARES

In terms of the Articles and the relevant provisions of the Act, the Issuer may by ordinary resolution convert any paid-up shares into stock and reconvert any stock into paid-up shares of any denomination. Provided that in making any such conversion or reconversion, the Issuer shall comply with the requirements of the MSE, the FMA, the Bye-Laws and the Capital Markets Rules. The New Ordinary Shares are not redeemable or convertible into any other form of security.

5.3 AUTHORISATIONS

By virtue of a resolution passed by the Shareholders at an extraordinary general meeting on 14th December, 2023, the Board of Directors was authorised to, as and when deemed appropriate by the Board of Directors, take all such measures and actions to give effect to a rights issue and subsequent issue and allotment of new ordinary shares in the issued share capital of the Issuer, to be offered on a pre-emptive basis to the shareholders in proportion to the shares held in the Issuer as at the record date and subject to such other terms as the Board of Directors may deem fit. On the 17th January 2024, the Board of Directors approved the Offer and the issue of up to 65,825,806 New Ordinary Shares in the issued share capital of the Issuer at a price of €0.50 per New Ordinary Share. The MFSA authorised the New Ordinary Shares as eligible to listing on the MSE pursuant to the Capital Markets Rules by virtue of a letter dated 14th February 2024.

5.4 CLASSIFICATION

The Issuer's share capital may be increased by issuing new shares within the limit of its authorised share capital. At the date of this Securities Note, the Issuer has an authorised share capital of €125,000,000 divided into 250,000,000 Ordinary Shares of a nominal value of €0.50 each and an issued share capital of €74,054,032 divided into 148,108,064 Ordinary Shares of €0.50 each fully paid up. The Board of Directors has the power to increase the issued share capital of the Issuer through the issuance of up to the limit of the Issuer's authorised share capital. The said authorisation is valid for a period of five years from the 14th December, 2023.

6. RIGHTS ISSUE

6.1 TERMS AND CONDITIONS APPLICABLE TO THE RIGHTS ISSUE

The following Terms and Conditions should be read and construed as one with the general terms and conditions of the Offer contained in section 9 of this Securities Note.

- 6.1.1 All Existing Shareholders are entitled to Rights entitling them to subscribe for four New Ordinary Shares for every nine Shares held as at the Record Date, subject to rounding down in line with the convention set out in section 6.1.2 below.
- 6.1.2 In the event that upon calculation of the Proportionate Entitlement an Existing Shareholder shall become entitled to a fractional entitlement of a Right, such fractional entitlement shall be rounded down to nearest whole Right.
- 6.1.3 Existing Shareholders will be entitled to subscribe for New Ordinary Shares at a ratio of four New Ordinary Share for every nine Shares held by them as at the Record Date. Existing Shareholders holding fewer than three Shares as at the Record Date shall not be eligible to participate in the Rights Issue.
- 6.1.4 Each Existing Shareholder shall be entitled to accept the Proportionate Entitlement and to subscribe for an equivalent number of New Ordinary Shares in fully paid New Ordinary Shares by paying the Offer Price for each New Ordinary Share which the Existing Shareholder agrees to subscribe for.
- 6.1.5 The Rights Issue contemplates the right of Existing Shareholders to accept the Rights allocated to them by the Issuer, on a nil paid basis, and to exercise those Rights and subscribe for New Ordinary Shares (in part or in full); or to renounce to their Rights (in part or in full) in favour of third parties, in either case on the basis and on the Terms and Conditions as set out in this Securities Note.

- 6.1.6 All Existing Shareholders registered as at the Record Date and whose shareholding as at that date will entitle such Existing Shareholder to subscribe to New Ordinary Shares by virtue of the exercise of Rights shall receive, by mail from the Issuer, FAAEs setting out their Proportionate Entitlement of Rights that entitle them to subscribe for an equivalent number of New Ordinary Shares.
- 6.1.7 Any Rights which are neither accepted nor validly assigned nor paid for by Existing Shareholders by the closing of the Offer Period shall constitute Lapsed Rights, and the balance of New Ordinary Shares in an amount equivalent to such Lapsed Rights shall constitute Excess Shares. Existing Shareholders may apply for Excess Shares in accordance with the provisions of section 6.5.2.2 of this Securities Note.
- 6.1.8 The Issuer irrevocably undertook to allocate an aggregate amount of up to 20,846,827 Excess Shares to Institutional Investors entering into Placement Agreements. To the extent that there shall remain Excess Shares following the allocation to Institutional Investors pursuant to Placement Agreements, such Excess Shares shall be allocated to: (i) Existing Shareholders who have accepted their Proportionate Entitlement in full and applied for Excess Shares during the Offer Period; and (ii) Applicants applying for Excess Shares through Authorised Financial Intermediaries during the Offer Period, in accordance with the allocation policy set out in section 9.4 of this Securities Note.

6.2 DISPATCH OF DOCUMENTATION TO EXISTING SHAREHOLDERS

FAAEs and the related instructions sheet will be dispatched by mail to Existing Shareholders at their registered addresses appearing on the Register of Members as at the Record Date and, for all Existing Shareholders residing in Malta, it shall be deemed to have been served at the expiration of two calendar days after dispatch. The Issuer has elected not to dispatch FAAEs to Overseas Shareholders except in the absolute discretion of the Issuer as further detailed in section 9.13 of this Securities Note entitled '*Overseas Shareholders*'.

6.3 FORMS OF ACCEPTANCE, AUTHORITY AND ELECTION

Forms of Acceptance, Authority and Election will be dispatched by mail to Existing Shareholders .

In the case of FAAEs issued to joint Existing Shareholders, reference to the Existing Shareholder in this Securities Note is a reference to each Existing Shareholder, and liability thereof is joint and several. Joint FAAEs are to be signed by all parties.

Eligible Participants shall return the Forms of Acceptance, Authority and Election to any of the Authorised Financial Intermediaries by the closing of the Offer Period.

The FAAEs set out the number of New Ordinary Shares which constitute the Existing Shareholder's Proportionate Entitlement. The FAAEs also set out instructions as to various options available to Existing Shareholders namely:

- a) to accept the Rights in full and accordingly subscribe for the Proportionate Entitlement in full (*FAAE A - ALL*); or
- b) having accepted the Proportionate Entitlement in full, may additionally commit to subscribe for Excess Shares (*FAAE A - ALL*); or
- c) to accept the Rights in part and accordingly subscribe for the Proportionate Entitlement only in part (*FAAE B - Split/Assign*); or
- d) to accept the Rights in part and assign part of the Proportionate Entitlement in favour of a third party/ies (*FAAE B - Split/Assign*); or
- e) to renounce in full to the Proportionate Entitlement and assign part or all of the Proportionate Entitlement in favour of a third party/ies (*FAAE B - Split/Assign*).

The FAAEs, once duly completed, executed and lodged with an Authorised Financial Intermediary by the Eligible Participant, shall constitute a binding contract between the Issuer and the Eligible Participant, whereby the Eligible Participant shall be bound to subscribe for and acquire the number of New Ordinary Shares forming part of the Rights Issue as are indicated in the FAAE and to effect payment therefor.

Any Rights which are neither accepted nor validly assigned by Eligible Participants by the closing of the Offer Period shall constitute Lapsed Rights and the balance of New Ordinary Shares in an amount equivalent to such Lapsed Rights will constitute Excess Shares, which Excess Shares shall be available for allocation as set out in section 8 of this Securities Note.

6.4 SUBSCRIPTION BY MAJOR SHAREHOLDERS OR SENIOR MANAGEMENT

The Government of Malta provided the Issuer with an irrevocable undertaking that it shall subscribe to its Proportionate Entitlement in full and that it shall abstain from applying for Excess Shares. In terms of the irrevocable undertaking, the Government of Malta further irrevocably undertook to renounce to such portion of its Proportionate Entitlement as would enable the Issuer to satisfy subscriptions or applications for Excess Shares by Institutional Investors pursuant to

Placement Agreements, other Existing Shareholders or Applicants which remain unsatisfied in full or in part, provided that the Government of Malta shall retain such portion of its Proportionate Entitlement so as to enable it to retain at least 70% of the issued share capital of the Company following the issue of the New Ordinary Shares. Save for the irrevocable undertaking provided by the Government of Malta, the Issuer is not aware of any person who intends to subscribe to more than 5% of the Offer.

The Issuer has been informed that Dr Robert Suban, a member of the Board of Directors, has expressed an interest in subscribing for New Ordinary Shares pursuant to the Offer.

6.5 ACTION REQUIRED BY AN EXISTING SHAREHOLDER TO SUBSCRIBE TO THE NEW ORDINARY SHARES

6.5.1 GENERAL

Each Form of Acceptance, Authority and Election will, apart from personal details of Existing Shareholders, set out:

- (i) the number of Shares held as at the Record Date on which an Existing Shareholder's entitlement to New Ordinary Shares has been based;
- (ii) the number of Rights allocated to an Existing Shareholder rounded down to the nearest whole Right (refer to section 6.1.2 above) representing the Proportionate Entitlement of each Existing Shareholder with respect to New Ordinary Shares; and
- (iii) instructions regarding acceptances, splitting, assignments, payments, and applications for Excess Shares by Existing Shareholders.

The minimum number of New Ordinary Shares that an Eligible Participant may subscribe for is one. Each Existing Shareholder will receive two FAAEs: *FAAE A – ALL* and *FAAE B – Split/Assign*. An Existing Shareholder must select the FAAE to be completed in accordance with whether such Existing Shareholder wishes to:

- (i) accept the Proportionate Entitlement in full (see section 6.5.2.1) by completing *FAAE A – ALL*; or
- (ii) having accepted their Proportionate Entitlement in full, also wishes to apply for Excess Shares (see section 6.5.2.2) by completing *FAAE A – ALL*; or
- (iii) accept the Proportionate Entitlement in part or accept the Proportionate Entitlement in part and assign part or the remainder of the Proportionate Entitlement (see section 6.5.2.3) by completing *FAAE B – Split/Assign*; or
- (iv) renounce to the Proportionate Entitlement but wishes to assign part or all of the Proportionate Entitlement (see section 6.5.2.4) by completing *FAAE B – Split/Assign*.

6.5.2 PROCEDURE FOR ACCEPTANCE AND PAYMENT BY EXISTING SHAREHOLDERS AND ASSIGNEES

Existing Shareholders wishing to participate in the Rights Issue shall be required to submit a FAAE validly completed and accompanied by the respective payment for the New Ordinary Shares subscribed for, to any Authorised Financial Intermediary.

6.5.2.1. Existing Shareholders who wish to accept their Proportionate Entitlement in full

Existing Shareholders who wish to take up all of the Proportionate Entitlement need to verify that the information contained in Panels I and II (A) of the *FAAE A – ALL* is correct and complete by signing the FAAE.

Duly completed and signed FAAEs must be delivered by the Existing Shareholder/s, against payment, to any of the Authorised Financial Intermediaries by the closing of the Offer Period. In the event that a cheque (accepted as means of payment at the discretion of the Authorised Financial Intermediary) accompanying a FAAE is not honoured on its first presentation, the Registrar reserves the right to invalidate the relative FAAE.

6.5.2.2. Existing Shareholders wishing to apply for Excess Shares

Existing Shareholders accepting their Proportionate Entitlement in full may also indicate in Panel II (B) of the *FAAE A – ALL* any Excess Shares which they wish to subscribe to and shall also complete Panel II (C). Only Existing Shareholders accepting their Proportionate Entitlement in full shall be eligible to apply for Excess Shares.

Duly completed and signed FAAEs must be delivered by Existing Shareholder/s, against payment, to any of the Authorised Financial Intermediaries by the closing of the Offer Period. In the event that a cheque (accepted as means of payment at the discretion of the Authorised Financial Intermediary) accompanying a FAAE is not honoured on its first presentation, the Registrar reserves the right to invalidate the relative FAAE.

6.5.2.3. Existing Shareholders who wish to: (i) accept the Proportionate Entitlement in part; or (ii) accept their Proportionate Entitlement in part and assign part or the remaining of their Proportionate Entitlement

Existing Shareholders who wish to take up only part, but not all, of their Proportionate Entitlement should complete the *FAAE B – Split/Assign*: Panel II (A) by indicating the number of New Ordinary Shares they wish to acquire and Panel II (C) indicating the number of New Ordinary Shares not taken up.

Alternatively, an Existing Shareholder wishing to accept the Proportionate Entitlement in part and assign part or all or the remaining part of the Proportionate Entitlement to third parties, should complete the *FAAE B – Split/Assign*: Panel II (A) by indicating the number of New Ordinary Shares they wish to acquire, Panel II (B) indicating the number of Rights to subscribe for New Ordinary Shares they wish to assign to third parties and Panel II (C) indicating the number of New Ordinary Shares not taken up, if any. The details of the Assignee/s shall be inserted in Panel III.

Duly completed and signed FAAEs by both the Existing Shareholder/s and the Assignee/s (if any) must be delivered, against payment, to any of the Authorised Financial Intermediaries by the closing of the Offer Period. In the event that a cheque (accepted as means of payment at the discretion of the Authorised Financial Intermediary) accompanying a FAAE is not honoured on its first presentation, the Registrar reserves the right to invalidate the relative FAAE.

6.5.2.4. Existing Shareholders who do not take up their Proportionate Entitlement but wish to assign part or all of their Proportionate Entitlement

Existing Shareholders who do not wish to take up their Proportionate Entitlement but wish to assign part or all of their Proportionate Entitlement to a third party or third parties should complete the *FAAE B – Split/Assign*: Panel II (B) indicating the number of Rights to subscribe for New Ordinary Shares they wish to assign to third parties and Panel II (C) indicating the number of New Ordinary Shares not taken up, if any. The details of the Assignee/s shall be inserted in Panel III.

Duly completed and signed FAAEs by both the Existing Shareholder/s and the Assignee/s must be delivered, against payment, to any of the Authorised Financial Intermediaries by the closing of the Offer Period. In the event that a cheque (accepted as means of payment at the discretion of the Authorised Financial Intermediary) accompanying a FAAE is not honoured on its first presentation, the Registrar reserves the right to invalidate the relative FAAE.

6.5.2.5. Discretion of Issuer

The Issuer reserves the right to refuse to register any renunciation of the Rights by an Existing Shareholder in favour of an Assignee/s in respect of which the Issuer believes such renunciation may violate applicable legal or regulatory requirements including (without limitation) any renunciation in the name of an Assignee/s with an address outside Malta.

6.5.2.6. Payment

All payments must be made in Euro.

6.5.2.7. Issuer's discretion as to the validity of acceptances

If any of the Authorised Financial Intermediaries do not deliver the Forms of Acceptance, Authority and Election together with proof of payment of cleared funds to the Registrar by the closing of the Offer Period, those Eligible Participants who would have submitted the FAAE through the said Authorised Financial Intermediary/ies to subscribe for New Ordinary Shares, will be deemed to have been declined. Accordingly, the Rights of an Existing Shareholder shall be regarded by the Issuer as Lapsed Rights and the FAAE will be treated in accordance with the provisions detailed in section 8.1 of this Securities Note. The Issuer, with the agreement of the Registrar, may, but shall not be obliged, to treat as valid Forms of Acceptance, Authority and Election accompanied by proof of payment received after the closing of the Offer Period.

7. IRREVOCABLE UNDERTAKING

The Government of Malta is the majority shareholder of the Issuer, holding 79.745% of the issued share capital of the Issuer as at the date of this Securities Note. In terms of the memorandum of association of the Company, the Government of Malta, whether directly or indirectly, must hold at least 70% of the issued share capital of the Company. Any dilution of the Government of Malta's shareholding in the Issuer as a result of the issue of the New Ordinary Shares may not result in its shareholding falling below the 70% threshold.

On the 11th December, 2023, the Government of Malta provided an irrevocable undertaking to the Issuer that it shall subscribe to its Proportionate Entitlement in full, subject to it renouncing to such portion of its Proportionate Entitlement as would enable the Issuer to satisfy subscriptions or applications for Excess Shares by Institutional Investors pursuant to Placement Agreements, other Existing shareholders or Applicants, respectively, which remain unsatisfied in full or in part,

and further provided that it shall retain such portion of its Proportionate Entitlement so as to enable it to retain at least 70% of the issued share capital of the Company following the issue of the New Ordinary Shares. The Government of Malta has also irrevocably undertaken not to apply for Excess Shares.

The Government of Malta has also provided the Company with an irrevocable undertaking that it will not sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the Shares held by it from the date of the irrevocable undertaking to the date of completion of the Offer.

8. EXCESS SHARES OFFER

8.1 SUBSCRIPTION TO EXCESS SHARES

Any Rights which are neither accepted nor validly assigned or paid for by Existing Shareholders by the closing of the Offer Period shall constitute Lapsed Rights, and the balance of New Ordinary Shares in an amount equivalent to Lapsed Rights shall constitute Excess Shares, which Excess Shares shall be made available to meet the demand of: (i) Institutional Investors entering into Placement Agreements; (ii) Existing Shareholders that have accepted their Proportionate Entitlement in full and applied for Excess Shares; and (iii) the general public. The Issuer irrevocably undertook to allocate an aggregate amount of up to 20,846,827 Excess Shares to Institutional Investors entering into Placement Agreements with the Issuer. The balance of the Excess Shares shall be allocated in accordance with the allocation policy set out in section 9.4 of this Securities Note.

8.2 TERMS AND CONDITIONS APPLICABLE TO THE EXCESS SHARES OFFER

The following Terms and Conditions are applicable to the Excess Shares Offer, and should be read and construed as one with the general terms and conditions of the Offer contained in section 9 of this Securities Note:

- 8.2.1. Existing Shareholders that have accepted their Proportionate Entitlement in full may apply for Excess Shares during the Offer Period by following the procedure set out in section 6.5.2.2. of this Securities Note;
- 8.2.2. Applicants that wish to apply for Excess Shares during the Offer Period are to lodge their Application Form indicating their Application for Excess Shares through the Authorised Financial Intermediaries.
- 8.2.3. Applicants will be obliged to pay the Issuer (acting through the Registrar) all subscription proceeds in respect of the Applications in cleared funds by the closing of the Offer Period.
- 8.2.4. In the case of joint Applications, reference to the Applicant in this Securities Note is a reference to each Applicant, and liability therefor is joint and several. Joint Applications are to be signed by all Applicants.
- 8.2.5. The minimum subscription amount that Applicants may subscribe for is 1,000 New Ordinary Shares and in multiples of 100 New Ordinary Shares thereafter.
- 8.2.6. The Issuer irrevocably undertook to allocate an aggregate amount of up to 20,846,827 Excess Shares to Institutional Investors entering into Placement Agreements with the Issuer. If, following allocation of Excess Shares to Institutional Investors pursuant to Placement Agreements, the total subscriptions for Excess Shares received from: (i) Existing Shareholders applying for Excess Shares during the Offer Period; and (ii) Applicants applying for Excess Shares during the Offer Period, exceed the number of Lapsed Rights available for allocation, the Issuer shall allocate Excess Shares in accordance with the allocation policy described in section 9.4 of this Securities Note.

9. GENERAL TERMS AND CONDITIONS OF THE OFFER

9.1 GENERAL

The contract created by the acceptance by an Eligible Participant/s or Applicant/s of a FAAE or an Application, respectively, shall be subject to the Terms and Conditions set out below and elsewhere in this Securities Note, and in the respective FAAE or Application Form.

Eligible Participants and Applicants may lodge their FAAEs or Application Forms, respectively, with any Authorised Financial Intermediary during the Offer Period.

9.2 RIGHT TO REJECT

Subject to all other Terms and Conditions set out in this Securities Note, the Issuer, through the Registrar, reserves the right to reject in whole or in part any FAAE or any Application Form (including multiple or suspected multiple Applications). The right is also reserved to refuse any FAAE or Application which in the opinion of the Issuer and, or the Registrar, is

not properly completed in all respect with the FAAE's or Application Form's instructions, or is not accompanied by the required documents and, or payment. Only original Application Forms and FAAEs will be accepted.

If any Application Form or FAAE is rejected by the Issuer or the Registrar, the payment monies will be returned by means of direct credit to the Applicant's or Eligible Participant's IBAN quoted on the Application Form or FAAE, respectively, without interest.

Any expenses or charges connected with such return of monies shall be borne by the respective Applicant or Eligible Participant. The Issuer and the Registrar are not liable for any charges, loss or delay in transmission of funds.

9.3. RIGHT TO REVOKE THE OFFER

Subject to all other Terms and Conditions set out in this Securities Note, the Issuer reserves the right to revoke the Rights Issue or the Excess Shares Offer at any time before the closing of the Offer Period. The circumstances in which such revocation might occur are expected to be exceptional, for example, in the case of an extraordinary injection of capital not connected to this Offer or where a significant change in market conditions occurs.

In the event of a revocation of the Offer, the payment monies will be returned by means of a direct credit to the Applicant's or Eligible Participant's IBAN quoted on the Application Form or FAAE, respectively, without interest. The Issuer and the Registrar are not liable for any charges, loss or delay in transmission of funds.

9.4. ALLOCATION POLICY

The Issuer shall allocate the New Ordinary Shares on the basis of the following policy:

- 9.4.1. it shall first satisfy in full the exercise by all Existing Shareholders of their Rights and, in the case of Assignees, of the Assigned Entitlement;
- 9.4.2. an amount of up to 20,846,827 Excess Shares shall be allocated to Institutional Investors pursuant to Placement Agreements;
- 9.4.3. to the extent that there shall remain Excess Shares following the allocation pursuant to section 9.4.2, such Excess Shares shall be allocated to: (i) Existing Shareholders who have accepted their Proportionate Entitlement in full and applied for Excess Shares during the Offer Period; and (ii) Applicants applying for Excess Shares through Authorised Financial Intermediaries during the Offer Period, in such proportions as the Issuer shall, at its discretion, deem fit.

In the event that an Existing Shareholder or Applicant that has applied for Excess Shares has been allocated a number of New Ordinary Shares which is less than the number applied for, the Existing Shareholder or Applicant (as the case may be) shall receive a refund of the balance of the price of the Excess Shares applied for but not allocated, without interest, by credit transfer to such account as designated by the Existing Shareholder or the Applicant within five Business Days from the date of announcement of basis of acceptance. The Issuer and the Registrar shall not be responsible for any loss or delay in transmission or any charges in connection therewith.

9.5. EXPECTED TIMETABLE

1. FAAEs mailed to Existing Shareholders	27 th February 2024
2. Application Forms available at Authorised Financial Intermediaries	28 th February 2024
3. Commencement of Offer Period	28 th February 2024
4. Placement Date	13 th March 2024
5. Closing of Offer Period	15 th March 2024
6. Announcement of the results of the Offer	25 th March 2024
7. Refunds of unallocated monies (if any)	1 st April 2024
8. Dispatch of allotment letters	1 st April 2024
9. Date of issue and allotment of the New Ordinary Shares and expected date of admission of the New Ordinary Shares to listing	1 st April 2024
10. Expected date of commencement of trading in the New Ordinary Shares	2 nd April 2024

9.6. RESULTS OF THE OFFER

The Issuer shall determine and announce (by way of a company announcements) the result of the Offer, including the basis of acceptance of all FAAEs and Applications and the allocation policy to be adopted by latest 25th March 2024. Dealings in the New Ordinary Shares shall not commence prior to the New Ordinary Shares being admitted to trading on the Official List.

9.7. OTHER TERMS AND CONDITIONS

The following are additional Terms and Conditions applicable to the Offer:

9.7.1 No person receiving or downloading a copy of the Prospectus or any part thereof, or an Application Form or a FAAE in any territory other than Malta may treat the same as constituting an invitation or offer to such person nor should such person in any event, use such Application Form or FAAE, unless, in the relevant territory, such an invitation or offer could lawfully be made to such person or such Application Form or FAAE could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside Malta wishing to invest in the New Ordinary Shares to satisfy himself/herself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any transfer or other taxes (of any nature whatsoever) required to be paid in such territory.

9.7.2 For the purposes of the *Prevention of Money Laundering and Funding of Terrorism Regulations 2008* and as subsequently amended, all appointed Authorised Financial Intermediaries are under a duty to communicate, upon request, all information they hold about clients, pursuant to sections 1.2(d) and 2.4 of the *Member's Code of Conduct* appended as *Appendix 3.6* in Chapter 3 of the *MSE Bye Laws*, irrespective of whether the Authorised Financial Intermediaries are MSE members or not. Furthermore, such information shall be held and controlled by the MSE in terms of the Data Protection Act (Cap. 440 of the laws of Malta) for the purposes, and within the terms, of the MSE's Data Protection Policy as published from time to time.

9.8. BODY CORPORATES/BODIES OF PERSONS

In the case of an Applicant or an Eligible Participant, being a body corporate/body of persons, the Application Form or FAAE (as the case may be) must be signed by a person/s authorised to sign and bind such Applicant or Eligible Participant. It shall not be incumbent on the Issuer or Registrar to verify whether the person or persons purporting to bind such Applicants or Eligible Participants is or are in fact so authorised.

9.9. MINORS

Applications or FAAEs in the name and for the benefit of minors shall be allowed provided that they already have an account with the MSE and are signed by both parents or by the legal guardian/s. Any New Ordinary Shares allocated pursuant to such an Application or FAAE shall be registered in the name of the minor as the holder of the New Ordinary Shares, with dividends payable to the parents/legal guardian/s signing the Application Form or FAAE until such time as the minor attains the age of 18 years, following which all dividends shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of 18 years. It shall not be incumbent on the Registrar or the Issuer to verify the signatory/ies.

9.10. JOINT EXISTING SHAREHOLDERS

In the case of Shares held jointly by two or more persons as at the Record Date, the Issuer shall send FAAEs only to the person/s entered on the register of the CSD or to the first person of the joint holders entered on the register of the CSD who shall, for all intents and purposes, be deemed, *vis-a-vis* the Issuer, to be the registered holder of the Shares. In such case where the Shares are held jointly by two or more persons, all joint shareholders are to sign the applicable FAAE.

Similarly, where the Assignee/s are joint applicants, the FAAE must be signed by each joint Assignee.

It shall not be incumbent on the Registrar or the Issuer to verify the signatory/ies on any FAAE.

9.11. DECEASED PERSONS

If the name appearing on the register of the CSD as at the Record Date is that of a deceased Existing Shareholder or if an Existing Shareholder dies before the expiry of the Offer Period and prior to having completed the FAAE, the FAAE must be signed by the lawful successors in title of the deceased Existing Shareholder. For this purpose, the successors in title of the deceased Existing Shareholder must contact the Issuer and their Authorised Financial Intermediary within the Offer Period in order to produce adequate documentary proof to the satisfaction of the Issuer and Authorised Financial Intermediary, and of the CSD, in order to enable them to verify their status as lawful successors of the deceased Existing Shareholder.

It shall not be incumbent on the Issuer or the Registrar to verify whether the person/s signing the FAAE is/are the lawful successor/s of the deceased Existing Shareholder.

9.12. SHARES SUBJECT TO USUFRUCT

In respect of Shares held subject to usufruct as at the Record Date, the FAAE shall be issued, in the name of the bare owner, provided that any New Ordinary Shares allotted pursuant to an acceptance by a bare owner shall be subject to the same right of usufruct in favour of the usufructuaries who have such rights with respect to the Shares held by the said Existing Shareholder as bare owner as at the Record Date. In this respect, the FAAE must be signed by both the bare owner and usufructuary. It shall not be incumbent on the Issuer or the Registrar to verify the signatory/ies on any FAAE.

9.13. OVERSEAS SHAREHOLDERS

THE BELOW IS INTENDED AS A GENERAL GUIDE ONLY AND ANY PERSON WHO IS IN DOUBT AS TO HIS/HER POSITION SHOULD CONSULT HIS/HER PROFESSIONAL ADVISER WITHOUT DELAY.

THE OFFER OF RIGHTS, THE ASSIGNMENT THEREOF AND, OR THE OFFER OF LAPSED RIGHTS TO PERSONS RESIDENT IN, OR WHO ARE CITIZENS OF, OR WHO ARE DOMICILED IN, OR WHO HAVE A REGISTERED ADDRESS IN, COUNTRIES OTHER THAN MALTA, MAY BE AFFECTED BY THE LAW OF THE RELEVANT JURISDICTION. THOSE PERSONS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS (INCLUDING TAX AND LEGAL ADVISERS) AS TO WHETHER THEY REQUIRE ANY GOVERNMENTAL OR OTHER CONSENTS OR NEED TO OBSERVE ANY OTHER FORMALITIES TO ENABLE THEM TO TAKE UP THE RIGHTS, ACCEPT AN ASSIGNMENT THEREOF AND, OR TAKE UP LAPSED RIGHTS (AS THE CASE MAY BE). IT IS ALSO THE RESPONSIBILITY OF ANY PERSON (INCLUDING, WITHOUT LIMITATION, NOMINEES, CUSTODIANS, DEPOSITARIES AND TRUSTEES) OUTSIDE MALTA WISHING TO PARTICIPATE IN THE OFFER TO SATISFY HIMSELF/HERSELF/ITSELF AS TO FULL OBSERVANCE OF THE APPLICABLE LAWS OF ANY RELEVANT TERRITORY INCLUDING OBTAINING ANY REQUISITE GOVERNMENTAL OR OTHER CONSENTS, OBSERVING ANY OTHER REQUISITE FORMALITIES AND PAYING ANY TRANSFER OR OTHER TAXES (OF ANY NATURE WHATSOEVER) DUE IN SUCH TERRITORIES. THE ISSUER SHALL NOT ACCEPT ANY RESPONSIBILITY FOR THE NON-COMPLIANCE BY ANY PERSON OF ANY APPLICABLE LAWS OR REGULATIONS OF FOREIGN JURISDICTIONS.

Having considered the circumstances, the Issuer has formed the view (due to the onerous requirements involved in the registration of this Securities Note in any territory other than Malta and, or compliance with the relevant legal or regulatory requirements) not to send FAAEs to Overseas Shareholders, except where *inter alia* in the absolute discretion of the Issuer, it is satisfied that such action would not result in a contravention of any applicable legal or regulatory requirement in the relevant jurisdiction.

10. REPRESENTATIONS AND WARRANTIES BY ELIGIBLE PARTICIPANTS AND APPLICANTS

By completing and delivering the FAAE or Application Form (as the case may be), each Eligible Participant or Applicant (as the case may be):

- 10.1. agrees to have had the opportunity to read the Prospectus and to have had notice of all information and representations concerning the Issuer and the issue of the New Ordinary Shares contained therein;
- 10.2. confirms that in completing the FAAE or the Application Form (as the case may be), no reliance was placed on any information or representation in relation to the Issuer or the issue of the New Ordinary Shares other than those contained in the Prospectus and accordingly agrees that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;
- 10.3. agrees to provide the Authorised Financial Intermediary, Registrar and, or the Issuer, (as the case may be), any information which they may request in connection with the FAAE or Application Form (as the case may be);
- 10.4. warrants, in connection with the FAAE or Application Form (as the case may be), to have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with the FAAE or Application Form (as the case may be), and that he/she has not taken any action which will or may result in the Issuer acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the New Ordinary Shares or the FAAE or the Application Form (as the case may be);
- 10.5. warrants that all applicable exchange control or other such regulations (including those relating to external transactions) have been duly and fully complied with;

- 10.6. represents that the he/she/it is not a U.S. person (as such term is defined in Regulation “S” under the Securities Act of 1933 of the United States of America, as amended, the “**Securities Act**”) as well as not to be accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the “**United States**”) or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;
- 10.7. acknowledges that the New Ordinary Shares have not been and will not be registered under the Securities Act and accordingly may not be offered or sold within the United States or to or for the account or benefit of a U.S. person;
- 10.8. warrants that if he/she/it submits a Form of Acceptance, Authority and Election he/she is not a citizen, resident or domicile of an Excluded Territory;
- 10.9. agrees that all documents in connection with the issue of the New Ordinary Shares will be mailed at his/her/its own risk and may be sent at the address (or, in the case of joint FAAEs or joint Applications, the address of the first named person) as set out in the FAAE or Application Form (as the case may be);
- 10.10. warrants that he/she/it is aware that, for the purposes of the Prevention of Money Laundering Act (Cap. 373 of the laws of Malta) and all subsidiary legislation issued thereunder, all appointed Authorised Financial Intermediaries are under a duty to communicate, upon request, all information about clients acquiring the New Ordinary Shares as is mentioned in sections 1.2(d) and 2.4 of the *Member’s Code of Conduct* appended as *Appendix 3.6* to Chapter 3 of the *MSE Bye Laws*. Such information shall be held and controlled by the Malta Stock Exchange in terms of the Data Protection Act (Cap. 440 of the laws of Malta) for the purposes and within the terms of the Malta Stock Exchange Data Protection Policy as published from time to time;
- 10.11. irrevocably agrees to subscribe, and pay the consideration for, the number of New Ordinary Shares specified in the FAAE or Application Form, as the case may be, (or any smaller number for which the FAAE or Application Form is accepted) at the Offer Price subject to the provisions of the Prospectus, these Terms and Conditions, the FAAE or Application Form and the Memorandum and Articles;
- 10.12. authorises the Registrar and the Issuer to include the Assignee’s or Applicant’s name, or in the case of joint FAAEs or joint Applications, the first-named Assignee or Applicant, in the Register of Members (in respect of the New Ordinary Shares so allocated);
- 10.13. warrants to have read and understood the contents of the Prospectus and to have had full opportunity to take such advice from a financial adviser of choice as considered appropriate before investing in the New Ordinary Shares;
- 10.14. warrants that the payment for the New Ordinary Shares will be honoured on first presentation and agrees that, if such payment is not so honoured, the Eligible Participant or Applicant, as the case may be, will not be entitled to receive a Registration Advice or to be registered in the Register of Members or to enjoy or receive any rights in respect of such New Ordinary Shares, unless and until a payment in cleared funds is made for such New Ordinary Shares and such payment is accepted by the Registrar (which acceptance shall be made at the Registrar’s absolute discretion and on the basis that the Eligible Participant or Applicant, as the case may be, indemnifies the Issuer against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of such remittance to be honoured on first presentation at any time prior to unconditional acceptance by the Registrar of such late payment in respect of such New Ordinary Shares); the Issuer may, without prejudice to other rights, treat the agreement to allocate such New Ordinary Shares as void and may allocate such New Ordinary Shares to another Eligible Participant/s or Applicant/s, in which case the former Eligible Participant or Applicant will not be entitled to any refund or payment in respect of such New Ordinary Shares (other than return of such late payment);
- 10.15. agrees that the Registration Advice and other documents and any monies returnable may be retained pending clearance of remittance and any verification of identity as required in terms of the Prevention of Money Laundering Act (Cap. 373 of the laws of Malta) (and regulations made thereunder) and that such monies will not bear interest;
- 10.16. agrees that all FAAEs or Applications, acceptances of FAAEs or Applications and contracts resulting therefrom will be governed by, and construed in accordance with Maltese law and that the Eligible Participant or Applicant shall submit to the jurisdiction of the Maltese Courts and agree that nothing shall limit the right of the Issuer to bring any action, suit or proceeding arising out of or in connection with any such FAAEs or Applications, acceptances of FAAEs or Applications and contracts in any other manner permitted by law in any court of competent jurisdiction;

- 10.17. warrants that, if the FAAE or Application Form is signed on behalf of another person or on behalf of a body corporate/body of persons, the person signing the FAAE or Application Form has due authority to do so and such person, or body corporate/body of persons will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions and undertakes to submit any power of attorney or corporate authority or a copy thereof duly certified by a lawyer or notary public, if so required by the Registrar;
- 10.18. agrees that, having had the opportunity to read the Prospectus, the Eligible Participant or the Applicant shall be deemed to have had notice of all information and representations concerning the Issuer and the Offer contained therein;
- 10.19. confirms that in lodging a FAAE or an Application (as the case may be), the Eligible Participant or the Applicant (as the case may be) is not relying on any information or representation in relation to the Issuer or the Offer other than those contained in the Prospectus and accordingly agrees that no person responsible solely or jointly for the FAAE or Application, or any part thereof, will have any liability for any such other information or representation;
- 10.20. confirms that the restriction contained in paragraph 10.6 above and the warning in paragraph 10.26 below have been reviewed and complied with;
- 10.21. warrants that s/he is not under the age of 18 years or, if the FAAE or Application is lodged in the name and for the benefit of a minor, warrant that the person/s lodging such FAAE or Application (as the case may be) are the parents or legal guardian/s of the minor;
- 10.22. agrees that such FAAE or Application Form (as the case may be) is addressed to the Issuer and that, in respect of those New Ordinary Shares for which your FAAE or Application (as the case may be) has been accepted, the Eligible Participant or Applicant shall receive a Registration Advice confirming such acceptance;
- 10.23. confirms that in the case of joint Assignee/s or joint Applicant/s (as the case may be) the first-named Assignee or Applicant (as the case may be) shall be deemed to be the holder of the Shares;
- 10.24. agrees to provide the Registrar, with any information which the Registrar may request in connection with the FAAE or Application Form;
- 10.25. agrees that the Sponsor will not treat an Eligible Participant or an Applicant as their customer by virtue of such Eligible Participant or Applicant making an application for New Ordinary Shares or by virtue of such FAAE or Application to purchase New Ordinary Shares being accepted and they will not owe the Eligible Participant or the Applicant any duties or responsibilities concerning the Offer Price of the New Ordinary Shares or their suitability thereof;
- 10.26. warrants that, in connection with the FAAE or Application (as the case may be), the Eligible Participant or the Applicant (as the case may be) has observed all applicable laws, obtained any requisite governmental or other consents, and that has not taken any action which will or may result in the Issuer acting in breach of the regulatory or legal requirements of any territory in connection with the FAAE or the Application; and
- 10.27. acknowledges that any New Ordinary Shares which may be allotted to Eligible Participants or to Applicants (as the case may be) will be recorded by the CSD in the MSE account number quoted on the FAAE or the Application Form (as the case may be) even if the details of the Eligible Participant or Applicant (as the case may be), as held by the MSE, differ from any or all of the details appearing on the FAAE or Application Form (as the case may be).

11. REGISTRATION, REPLACEMENT, TRANSFER AND EXCHANGE

- 11.1. The Register of Members will be kept by the Issuer at the CSD, wherein there will be entered the names and addresses of the holders of the Shares (including the New Ordinary Shares). An extract of such register may be obtained from the registered office of the Issuer for the purpose of inspecting information held on their respective account.
- 11.2. The New Ordinary Shares shall be maintained in book-entry form in an electronic register maintained on behalf of the Issuer at the CSD. The New Ordinary Shares shall accordingly be evidenced by a book-entry in the Register of Members held by the CSD. Statements of holdings and, or Registration Advices issued by the CSD will be regulated in terms of the e-portfolio service offering of the CSD. To this extent, the Shareholders are expected to

liaise directly with the CSD on this matter. An extract of such register may also be obtained from the CSD for the purpose of inspecting information held on their respective account.

- 11.3 The New Ordinary Shares may be transferred only in whole in accordance with the rules and procedures applicable from time to time in respect of the Official List.
- 11.4 Any person becoming entitled to the New Ordinary Shares in consequence of the death or bankruptcy of a Shareholder may, upon such evidence being produced as may from time to time properly be required by the Issuer or the MSE, elect either to be registered himself/herself as Shareholder or to have another person nominated by him/her to be registered as the transferee thereof. If the person so becoming entitled elects to be registered himself/herself, he/she shall deliver or send to the Issuer a notice in writing signed by him/her stating that he/she so elects. If he/she elects to have another person registered, he/she shall testify his/her election by executing to that person a transfer of those Shares.
- 11.5 All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Shares and to any applicable laws and regulations.
- 11.6 The cost and expenses of effecting any exchange or registration of transfer or transmission except for the expenses of delivery other than regular mail (if any) and except, if the Issuer shall so require, the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the Shareholder and, or transferee, as applicable.
- 11.7 Upon submission of a FAAE or an Application Form, the Eligible Participants or Applicants (as the case may be) who opt to subscribe for the online e-portfolio by ticking the appropriate box on the Application Form or FAAE (as the case may be) will be registered by the CSD for the online e-portfolio facility and will receive by mail at their registered address a handle code to activate the new e-portfolio login. The Shareholder's statement of holdings evidencing entitlement to Shares held in the Register of Members and Registration Advices evidencing movements in such Register of Members will be available through the said e-portfolio facility on <https://eportfolio.borzamalta.com.mt/>. Further detail on the e-portfolio is found on <https://eportfolio.borzamalta.com.mt/Help>.

12. LISTING AND TRADING OF NEW ORDINARY SHARES

Application has been made for the New Ordinary Shares to be admitted to the Official List. The New Ordinary Shares are expected to be admitted to the Official List with effect from 1st April 2024 and trading is expected to commence thereafter.

13. TAXATION

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Shares, including their acquisition, holding, disposal as well as any income/gains derived therefrom or made on their disposal, and, or the distribution and payment of dividends or other distributions on the Shares. The following information of the anticipated tax treatment applicable to investors is applicable only in so far as taxation in Malta is concerned as at the date of this Securities Note. This information does not constitute legal or tax advice and does not purport to be exhaustive.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation as known to the Issuer as at the date of this Securities Note in respect of a subject on which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation on the subject matter referred to in the preceding paragraph, as well as the levels of tax, may change from time to time.

This information is being given solely as a general guide. The precise implications for investors will depend, among other things, on their particular individual circumstances and on the classification of the Shares from a Maltese tax perspective, and thus professional advice in this respect should be sought accordingly.

13.1 Taxation status of the Issuer

The Issuer is subject to tax in Malta on its world-wide taxable profits at the standard corporate tax rate of 35%. Certain exemptions or low tax rates may apply in respect of particular sources of income.

13.2 Tax on Dividends

In general, distributions of dividends from the profits of the Issuer to its Shareholders should not be subject to any further tax in Malta.

Under the full imputation system, the Shareholder may be entitled to claim a tax refund of the difference between the tax payable on the grossed-up dividend and the tax paid by the Issuer distributing the dividend. This said, in certain circumstances, the amount of dividend that may be declared and for which a credit for the tax paid at the level of the Issuer may be claimed, may be limited.

Tax refunds cannot be claimed on profits distributed from the Final Tax Account or profits on which tax for which the refund is being claimed by the Shareholder has been relieved at the level of the Issuer by way of certain credits and, or deductions.

Dividends distributed to a person, other than a company, resident (or deemed to be resident) in Malta, from profits allocated to the untaxed account, should be subject to a 15% withholding tax. In specific circumstances, such withholding tax may also apply to distributions made to non-resident persons. In such cases, the Issuer should withhold 15% tax from the amount of the dividend and remit such withholding tax to the Commissioner for Revenue.

The taxpayer may, in certain circumstances, opt to declare the gross dividend distributed from the untaxed account in the tax return and claim a refund on the difference between the 15% withholding tax and the personal tax rate applicable to the Shareholder (if the tax rate applicable to the Shareholder is less than 15%).

13.3 Tax on Capital Gains

In accordance with the current legislation, if and for as long as the New Ordinary Shares which are subject to this Securities Note are listed on the MSE, and such New Ordinary Shares are held as capital assets, no tax on capital gains is payable in Malta on any transfer of these New Ordinary Shares

13.4 Duty on Documents and Transfers

In accordance with the current legislation, if and for as long as the New Ordinary Shares are listed on the MSE, no duty on documents and transfers is payable in Malta on any transfer of these New Ordinary Shares.

13.5 Exchange of Information

In terms of applicable Maltese legislation, the Issuer and, or its agent may be required to collect and forward certain information (including, but not limited to, information regarding payments made to certain Shareholders and, or noteholders) to the Commissioner for Revenue. The Commissioner for Revenue will or may, in turn, automatically or on request, forward the information to other relevant tax authorities subject to certain conditions.

13.6 Foreign Account Tax Compliance Act

In terms of US rules, commonly referred to the Foreign Account Tax Compliance Act (“**FATCA**”), 30% withholding tax may be imposed on certain payments to a foreign financial institution (“**FFI**”) if that FFI is not compliant with FATCA. FATCA generally impose a reporting regime and, in some cases withholding requirements. The withholding tax could apply to payments to the Issuer that constitute interest, dividends and other types of income from US sources (such as dividends paid by a US corporation) and proceeds received from the sale or disposition of assets that give rise to US source dividend or interest payments. The United States has entered into an intergovernmental agreement (“**IGA**”) with Malta To facilitate FATCA Compliance and reporting.

Under the IGA and the Maltese Legislation implementing it,, financial institutions in Malta (defined as such for the purposes of FATCA) may be required to report to the Maltese tax authorities certain information about US investors (including indirect investments held through certain passive investment entities) as well as non-US financial institutions that do not comply with FATCA. Such information would be onward reported by the Maltese tax authorities to the US Internal Revenue Service.

Financial account information in respect of holders of the Shares could fall within the scope of FATCA and they may therefore be subject to reporting obligations. In order to comply with its FATCA obligations, if any, the Issuer may be required to obtain certain information, forms and other documentation on the Shareholders and, or the noteholders to report information on reportable accounts to the Commissioner for Tax and Customs, in accordance with applicable laws and regulations, which will in turn report this information to the Internal Revenue Service in the U.S.

The issuer reserves the right to request any information and, or documentation required, in respect of any financial account, in order to comply with the obligations imposed under FATCA and any referring legislation. In the case of failure to

provide satisfactory documentation and, or information, the Issuer may take such action as it thinks fit, including without limitation, the closure of the financial account.

Shareholders of the Issuer should consult their own tax advisors regarding the FATCA requirements with respect to their own particular circumstances.

13.7 The Common Reporting Standard

The Organisation for Economic Co-operation and Development (“OECD”) has developed a global framework, commonly known as the Common Reporting Standard (“CRS”) for the identification and timely reporting of certain financial information on individuals, and controlling persons of certain entities, who hold financial accounts with financial institutions of participating jurisdictions in order to increase tax transparency and cooperation between tax administrations. Numerous jurisdictions, including Malta, have signed the OECD multilateral competent authority agreement, which is a multilateral agreement outlining the framework to automatically exchange certain financial and personal information as set out within CRS.

So as to introduce an extended automatic exchange of information regime in accordance with the global standard released by the OECD, CRS has also been adopted in the EU through the implementation of Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of tax information in the field of taxation. Under the said Directive and the Maltese legislation implementing it, the Issuer may be required to identify and annually report to the Commissioner for Tax and Customs financial accounts held by a reportable person. Financial information relating to Shares and notes and the holders thereof may fall within the purview of CRS and may be subject to reporting and information exchange provisions.

Shareholders and noteholders may be required to provide certain information and certifications to the financial institutions, in order to satisfy their obligations under CRS. Certain confidential information in relation to the Shareholders, noteholders and, or other reportable persons may be reported to the Commissioner for Tax and Customs and automatically exchanged pursuant to these arrangements with the tax administrations of other participating jurisdictions.

Shareholders should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS. Not complying with the CRS rules may give rise to certain fines or closure of financial accounts.

THE ABOVE INFORMATION IS BASED ON TAX LAW AND PRACTICE APPLICABLE AS AT THE DATE OF THIS SECURITIES NOTE. PROSPECTIVE INVESTORS ARE CAUTIONED THAT TAX LAW AND PRACTICE AND THE LEVELS OF TAX RELATING TO THE ISSUER AND ITS SHAREHOLDERS MAY CHANGE FROM TIME TO TIME. PROSPECTIVE INVESTORS ARE THEREFORE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF THE SHARES, AS WELL AS DIVIDEND PAYMENTS MADE BY THE ISSUER. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO INVESTORS WHO DO NOT DEAL IN SECURITIES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY.

14. DILUTION

The implementation of the capital increase through the Offer will result in the issued share capital of the Issuer increasing by 44% in the event that the Offer were to be taken up in full.

Existing Shareholders who accept their Proportionate Entitlement in full will suffer no dilution to their interests in the Issuer. However, Existing Shareholders who do not take up any of their Rights to subscribe for the New Ordinary Shares or take up their Rights in part, will suffer an immediate dilution of *circa* 30.8% in their interests in the Issuer as a consequence of the Rights Issue.

The Offer Price of the new Ordinary Shares is set at €0.50 per share. Based on the unaudited interim financial statements for the six months ended 30 June 2023, this represents a discount of *circa* 52% per share on the net asset value of the Issuer.

15. ADDITIONAL INFORMATION

The Prospectus does not contain any statement or report attributed to any person as an expert.

ANNEX I – Authorised Financial Intermediaries

Name	Address	Telephone
APS Bank p.l.c.	APS Centre, Tower Street, Birkirkara BKR 4012	25603000
Bank of Valletta p.l.c.	Premium Banking Centre, 475, Triq il-Kbira San Guzepp St Venera SVR 1011 (Applications accepted from all Branches, Wealth Management, and Investment Centres)	22751732
Calamatta Cuschieri Investment Services Ltd	Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034	25688688
CiliaFormosa Financial Advisors Ltd	Triq id-Delu Mosta, MST 3355	22260200
Curmi & Partners Ltd	Finance House, Princess Elizabeth Street, Ta' Xbiex XBX 1102	21347331
FINCO Treasury Management Ltd	The Bastions, Office No 2, Emvin Cremona Street, Floriana FRN 1281	21220002
GlobalCapital Financial Management Ltd	Testaferrata Street, Ta' Xbiex XBX 1403	21342342
Hogg Capital Investments Ltd	NuBis Centre, Mosta Road, Lija LJA 9012	21322872
Jesmond Mizzi Financial Advisors Ltd	67 Level 3, South Street, Valletta VLT 1105	21224410
Lombard Bank Malta p.l.c.	67, Republic Street, Valletta VLT 1117	25581806
MeDirect Bank (Malta) p.l.c.	The Centre, Tigne` Point, Sliema TPO 0001	25574400
Michael Grech Financial Investment Services Ltd	The Brokerage, Level 0A St Marta Street Victoria, Gozo VCT 2550	22587000
MZ Investment Services Ltd	63, St. Rita Street, Rabat RBT 1523	21453739
Rizzo, Farrugia & Co (Stockbrokers) Ltd	Airways House, Fourth Floor, High Street, Sliema SLM 1551	22583000
Timberland Invest Ltd	CF Business Centre, Gort Street, Paceville, St Julian's STJ 9023	20908100

INSTRUCTIONS SHEET

RIGHTS ISSUE OF 4 NEW ORDINARY SHARES FOR EVERY 9 NEW ORDINARY SHARES AT AN OFFER PRICE OF €0.50 PER NEW ORDINARY SHARE

Instructions for completion

FORM OF ACCEPTANCE, AUTHORITY AND ELECTION (“FAAE”)

IMPORTANT: READ THE FOLLOWING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE RELEVANT FAAE

The following is to be read in conjunction with the Prospectus dated 14th February 2024 (the “**Prospectus**”). Unless otherwise defined herein, the capitalised terms used in the FAAE have the same meaning ascribed to them in the Prospectus.

1. There are two (2) FAAEs:
 - a. **‘FAAE A – ALL’** is to be completed by the Existing Shareholder/s wishing to **TAKE UP ALL** of his/her entitlement with the option to apply for Excess Shares;
 - b. **‘FAAE B- SPLIT / ASSIGN’** is to be completed by the Existing Shareholders wishing to: (i) take up only **PART** and **ASSIGN** or **LAPSE** the remaining part of his/her Rights to the New Ordinary Shares; or (ii) **ASSIGN ALL** of the Rights; or (iii) **ASSIGN PART** and **LAPSE** the remaining Rights to New Ordinary Shares;
2. The FAAE is to be completed in **BLOCK CHARACTERS**.
3. The relevant FAAE/s must be accompanied by payment **IN CLEARED FUNDS AND NET OF BANK TRANSFER CHARGES** for the amount in Euro of the New Ordinary Shares subscribed for. Payment may be made through a method of payment as accepted by the Authorised Financial Intermediary of your choice.
4. Existing Shareholders shall receive any dividends payable to them by the Issuer directly in a bank account as quoted in Panel IID of FAAE A and Panel IIA of FAAE B as applicable.
Assignees shall receive any dividends payable to them by the Issuer directly in a bank account in Euro and which is to be inserted by Assignees in the ‘Dividend & Refund Mandate’ found in Panel III of FAAE B.
5. FAAEs may be accepted by Authorised Financial Intermediaries between and including 08:30 hours on 28th February 2024 and 14:00 hours on 15th March 2024 (the “**Offer Period**”). The Issuer, through the Registrar, may reject any FAAE/s:
 - a. received after the Offer Period closes; and/or
 - b. for which funds are still uncleared after the Offer Period closes; and/or

c. which is in breach of the terms and conditions as defined and set out in the Prospectus.

Eligible Participants are to ensure that payment for the exercise of Rights reach the respective Authorised Financial Intermediary **NET OF BANK CHARGES**.

- 6 Each FAAE has been pre-printed with details of Existing Shareholders/s appearing on the Issuer's Register of Members as at the Record Date.
- 7 With respect to **FAAE A – ALL**, Existing Shareholders wishing to take up their Proportionate Entitlement in full need only sign and submit the FAAE A to an Authorised Financial Intermediary together corresponding payment. Where Existing Shareholders opt to take up their Proportionate Entitlement in full and wish to subscribe for any Excess Shares, Panels IIB and IIC need to be completed together with corresponding payment.
- 8 With respect to **FAAE B – SPLIT / ASSIGN**, Existing Shareholders wishing to accept their Proportionate Entitlement in part need to complete Panel IIA and IIC. Where an Existing Shareholder wishes to assign part or all of his Proportionate Entitlement, Panel IIB needs also to be completed and details of the Assignee/s need to be inserted in Panel III.
- 9 Non-resident Assignee/s must indicate their passport number in Panel III of **FAAE B – SPLIT / ASSIGN** as applicable and tick the appropriate box accordingly.
- 10 In the case of an Existing Shareholder or an Assignee who is a minor, the respective FAAE shall be signed by the parents or the legal guardian/s as applicable. The relative box in Panel III of **FAAE B – SPLIT / ASSIGN** shall be marked accordingly, and details of the parents or legal guardian/s shall be inserted in Panel II E of **FAAE A – ALL** or Panel II D in case of Existing Shareholders or Panel IV in case of Assignees of **FAAE B – SPLIT / ASSIGN** as applicable.
- 11 In the case where an Eligible Participant is a body corporate, the respective FAAE must be signed by the duly authorised representatives indicating the capacity in which they are signing and shall bind that body corporate. A valid Legal Entity Identifier (“LEI”) needs to be inserted in Panel I of FAAE A – ALL or Panel I in case of Existing Shareholders or Panel III in case of Assignees of **FAAE B – SPLIT / ASSIGN** as applicable. Failure to include a valid LEI code, will result in the respective FAAE being cancelled by the Registrar.
- 12 If the name appearing on the register of the CSD as at the Record Date is that of a **deceased Existing Shareholder** or if an Existing Shareholder dies before the expiry of the Offer Period and prior to having completed the FAAE, the FAAE must be signed by the lawful successors in title of the deceased Existing Shareholder. For this purpose, the successors in title of the deceased Existing Shareholder must contact the Issuer and their Authorised Financial Intermediary within the Offer Period in order to produce adequate documentary proof to the satisfaction of the Issuer and Authorised Financial Intermediary, and of the CSD, in order to enable them to verify their status as lawful successors of the deceased Existing Shareholder. It shall not be incumbent on the Issuer or the Registrar to verify whether the person/s signing the FAAE is/are the lawful successor/s of the deceased Existing Shareholder.

- 13 Where the Shares are held subject to usufruct, the FAAE must be signed by both the bare owner/s and usufructuary/ies. In this respect, the FAAE submitted to the Authorised Financial Intermediary is to be accompanied by an authorisation of the bare owner and usufructuary allowing the addition of the New Ordinary Shares, which is to be subsequently forwarded in original to the Registrar. It shall not be incumbent on the Issuer or the Registrar to verify the signatory/ies on any FAAE.
- 14 In the case of Shares held jointly by two or more persons as at the Record Date, all joint shareholders are to sign the applicable FAAE. Similarly, where the Assignee/s are joint applicants, the FAAE must be signed by each joint Assignee. It shall not be incumbent on the Issuer or the Registrar to verify the signatory/ies on any FAAE.
- 15 ASSIGNEES ARE TO INSERT AN MSE ACCOUNT NUMBER IN PANEL III OF FAAE B – SPLIT / ASSIGN AND FAILURE TO DO SO MAY RESULT IN REJECTION. ASSIGNEES ARE HEREBY NOTIFIED THAT ANY SHARES ALLOTTED TO THEM WILL BE RECORDED IN THE MSE ACCOUNT NUMBER QUOTED ON THE FAAE B – SPLIT / ASSIGN. IF DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE MSE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF, A SEPARATE REQUEST BY THE ASSIGNEE TO CHANGE THESE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.**
- 16 Where an Existing Shareholder wishes to assign Rights to more than two Assignees, an addendum (in the form of a continuation sheet of **FAAE B – SPLIT / ASSIGN**) shall be supplied by the Registrar through the Authorised Financial Intermediary and this needs to be also signed by the Existing Shareholder/s and Assignee/s as applicable.
- 17 Completed FAAEs are to be delivered to any Authorised Financial Intermediary listed in Annex I of the Securities Note. Remittances by post are made at the risk of the Existing Shareholder/s and or Assignee/s. The Issuer and the Registrar disclaim all responsibility for any such remittance not received by the closing of the Offer Period.
- 18 Should any FAAE be lost or destroyed or otherwise defaced and/or invalidated, the Existing Shareholder/s shall contact the Authorised Financial Intermediary who will provide a duplicate of the FAAE to be used in such instance.
- 19 By completing and delivering the FAAE each Existing Shareholder/s and Assignee/s acknowledges that:
- a. the Authorised Financial Intermediary, Registrar and/or the Issuer may process the personal data in the FAAE in accordance with the Data Protection Act (Cap. 440 of the laws of Malta);
 - b. the Authorised Financial Intermediary, Registrar and/or the Issuer may process such personal data for all purposes necessary for and related to the Rights Issue;
 - c. they have the right to request access to and rectification of the personal data relating to him/her, as processed by the Authorised Financial Intermediary, Registrar and/or the Issuer. Any such request must be signed by the Existing Shareholder/s and/or Assigned/s and made in writing to the CSD at the Malta Stock Exchange; and
 - d. all terms and conditions of the Prospectus, including but not limited to the undertakings, representations and warranties contained therein, have been read and understood.

The value of investments can rise as well as fall and past performance is not necessarily indicative of future performance. Investors may lose all or part of their capital invested by investing in the New Ordinary Shares. Prospective investors in the New Ordinary Shares issued by the Malita Investments p.l.c. are urged to consult a licensed stockbroker or an investment adviser licenced under the Investment Services Act (Cap. 370 of the laws of Malta) prior to making an investment decision.

FAAE A - ALL

Rights Issue of 4 New Ordinary Share for every 9 Existing Shares at an Offer Price of €0.50 per New Ordinary Share

FORM OF ACCEPTANCE, AUTHORITY AND ELECTION (“FAAE”) - A

Your Rights to the New Ordinary Shares of Malita Investments p.l.c. are as follows:

Existing Shareholder/s:	MSE Account Number:	
	I.D. Card Number:	
	Document Type:	
	Country of Issue:	
	Date of Birth:	
Nationality:		
LEI (Legal Entity Identifier) (if applicant is NOT an individual):	PLEASE REGISTER ME FOR E-PORTFOLIO <input type="checkbox"/>	Mobile No: (mandatory for e-portfolio)
Shareholding as at 20 February 2024 (Record Date):	Proportionate Entitlement to New Ordinary Shares: (Fractional entitlement of a Right shall be rounded down to the nearest whole Right)	

ADDITIONAL (JOINT) MSE ACCOUNT HOLDERS			
Title (Mr/Mrs/Ms/...)	Full Name & Surname	ID Card / Passport No	
Document Type	Country of Issue	Date of Birth	Nationality

By signing this **FAAE A** and returning it to an Authorised Financial Intermediary by 15 March 2024 at 14:00 hours, you will be confirming your election to take up **ALL** your Rights.

II I/We accept to purchase and acquire **ALL** of my/our Proportionate Entitlement to New Ordinary Shares:

A PROPORTIONATE ENTITLEMENT TO NEW ORDINARY SHARES	AMOUNT PAYABLE (€0.50 per New Ordinary Share)

Furthermore, I/we accept to purchase and acquire Excess Shares, if available, in addition to my/our Proportionate Entitlement to New Ordinary Shares:

B NUMBER OF EXCESS SHARES (in figures)	NUMBER OF EXCESS SHARES (in words)	AMOUNT PAYABLE (€0.50 per New Ordinary Share)
		€

Mandatory if Panel B has been completed - Total Number of New Ordinary Shares (Box A + Box B)

C TOTAL NUMBER OF NEW ORDINARY SHARES (in figures)	TOTAL NUMBER OF NEW ORDINARY SHARES (in words)	TOTAL AMOUNT PAYABLE (€0.50 per New Ordinary Share)
		€

D DIVIDEND & REFUND MANDATE	
Bank	IBAN

E DECISION MAKER / MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARY			
Title (Mr/Mrs/Ms/...)	Full Name & Surname	ID Card / Passport No	
Document Type	Country of Issue	Date of Birth	Nationality
Title (Mr/Mrs/Ms/...)	Full Name & Surname	ID Card / Passport No	
Document Type	Country of Issue	Date of Birth	Nationality

FAAE A - ALL (continuation)

I/We hereby declare that I/we have fully understood the instructions for the completion of this FAAE on the basis of the Prospectus and am/are making this FAAE solely on the basis of the Prospectus, and subject to the Terms & Conditions contained therein which I/we fully accept.

I/We hereby authorise the Company to forward the details to the Malta Stock Exchange for the purposes of registering the New Ordinary Shares in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this FAAE in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Company may require additional information for Transaction Reporting purposes and agree that such information will be provided.

Signature/s of Existing Shareholder/s

Date

(Parent/s or legal guardian/s is/are to sign if Existing Shareholder is a minor)

(All parties are to sign in the case of joint Existing Shareholders)

(Bare owner/s and usufructuary/ies to sign in the case of holdings of Shares that are subject to usufruct)

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP
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AUTHORISED FINANCIAL INTERMEDIARY'S CODE			
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APPLICATION NUMBER

FAAE B - SPLIT / ASSIGN

Rights Issue of 4 New Ordinary Share for every 9 Existing Shares at an Offer Price of €0.50 per New Ordinary Share

FORM OF ACCEPTANCE, AUTHORITY AND ELECTION (“FAAE”) - B

Your Rights to the New Ordinary Shares of Malita Investments p.l.c. are as follows:

Existing Shareholder/s:	MSE Account Number:	
	I.D. Card Number:	
	Document Type:	
	Country of Issue:	
	Date of Birth:	
	Nationality:	
LEI (Legal Entity Identifier) <i>(if applicant is NOT an individual)</i> :	PLEASE REGISTER ME FOR E-PORTFOLIO <input type="checkbox"/>	Mobile No: <small>(mandatory for e-portfolio)</small>
Shareholding as at 20 February 2024 <i>(Record Date)</i> :		Proportionate Entitlement to New Ordinary Shares: <small>(Fractional entitlement of a Right shall be rounded down to the nearest whole Right)</small>

ADDITIONAL (JOINT) MSE ACCOUNT HOLDERS			
Title <i>(Mr/Mrs/Ms/...)</i>	Full Name & Surname	ID Card / Passport No	
Document Type	Country of Issue	Date of Birth	Nationality

By completing the relevant boxes, signing this **FAAE B** and returning it to an Authorised Financial Intermediary by 15 March 2024 at 14:00 hours, you confirm your election to: (i) take up only **PART** and **ASSIGN** or **LAPSE** the remaining part of your Rights to the New Ordinary Shares; or (ii) **ASSIGN ALL** of your Rights; or (iii) **ASSIGN PART** and **LAPSE** the remaining Rights, as applicable.

II I/We accept to purchase and acquire **PART** of my/our Proportionate Entitlement to New Ordinary Shares:

A* PARTIAL TAKE UP <i>(where applicable)</i>		
NUMBER OF NEW ORDINARY SHARES <small><i>(in figures)</i></small>	NUMBER OF NEW ORDINARY SHARES <small><i>(in words)</i></small>	AMOUNT PAYABLE <small><i>(€0.50 per New Ordinary Share)</i></small>
		€
DIVIDEND & REFUND MANDATE		
Bank	IBAN	

I/We accept to assign **ALL** or **PART OF** the Rights as follows:

B* ASSIGN <i>(where applicable)</i>		
NUMBER OF NEW ORDINARY SHARES <small><i>(in figures)</i></small>	NUMBER OF NEW ORDINARY SHARES <small><i>(in words)</i></small>	AMOUNT PAYABLE <small><i>(€0.50 per New Ordinary Share)</i></small>
		€

C* BALANCE OF NEW ORDINARY SHARES NOT TAKEN UP <i>(if any)</i>	
<small><i>(in figures)</i></small>	<small><i>(in words)</i></small>

* The total number of New Ordinary Shares as added up in Panels A, B & C above, needs to be equal to the Proportionate Entitlement to New Ordinary Shares as pre-printed in Panel I above.

FAAE B - SPLIT / ASSIGN (continuation)

D* DECISION MAKER / MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARY			
Title (<i>Mr/Mrs/Ms/...</i>)	Full Name & Surname		ID Card / Passport No
Document Type	Country of Issue	Date of Birth	Nationality
Title (<i>Mr/Mrs/Ms/...</i>)	Full Name & Surname		ID Card / Passport No
Document Type	Country of Issue	Date of Birth	Nationality

I/We hereby declare that I/we have fully understood the instructions for the completion of this FAAE and am/are making this FAAE solely on the basis of the Prospectus dated 14 February, and subject to the Terms & Conditions contained therein which I/we fully accept.

I/We hereby authorise the Company to forward the details to the Malta Stock Exchange for the purposes of registering the New Ordinary Shares in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this FAAE in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Company may require additional information for Transaction Reporting purposes and agree that such information will be provided.

Signature/s of Existing Shareholder/s

(Parent/s or legal guardian/s is/are to sign if Existing Shareholder is a minor)

(All parties are to sign in the case of joint Existing Shareholders)

(Bare owner/s and usufructuary/ies to sign in the case of holdings of Shares that are subject to usufruct)

 Date

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP
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AUTHORISED FINANCIAL INTERMEDIARY'S CODE				
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APPLICATION NUMBER

FAAE B - SPLIT / ASSIGN (continuation)

Declaration by assignee/s

I/We have irrevocably agreed to acquire a portion of the Rights of the Existing Shareholder/s to the New Ordinary Shares as detailed below:

III DECLARATION OF ASSIGNEE/S			
1. Title (Mr/Mrs/Ms/...)	Full Name & Surname / Registered Name		
Address (including post code)			
MSE A/C No. (if applicable)	ID Card/Passport/Co Reg No.	Tel. No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate / Body of Persons
Document Type	Country of issue	Date of Birth	Nationality
LEI (Legal Entity Identifier) (if applicant is NOT an individual):			
TOTAL NUMBER OF NEW ORDINARY SHARES (in figures)	TOTAL NUMBER OF NEW ORDINARY SHARES (in words)	AMOUNT PAYABLE (€0.50 per New Ordinary Share) €	
<input type="checkbox"/> PLEASE REGISTER ME FOR E-PORTFOLIO (mobile number mandatory for e-portfolio registration)			Mobile No:
DIVIDEND & REFUND MANDATE (completion of this field is mandatory)			
Bank	IBAN		

DECLARATION OF ASSIGNEE/S 2			
2. Title (Mr/Mrs/Ms/...)	Full Name & Surname / Registered Name		
Address (including post code)			
MSE A/C No. (if applicable)	ID Card/Passport/Co Reg No.	Tel. No.	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate / Body of Persons
Document Type	Country of issue	Date of Birth	Nationality
LEI (Legal Entity Identifier) (if applicant is NOT an individual):			
TOTAL NUMBER OF NEW ORDINARY SHARES (in figures)	TOTAL NUMBER OF NEW ORDINARY SHARES (in words)	AMOUNT PAYABLE (€0.50 per New Ordinary Share) €	
<input type="checkbox"/> PLEASE REGISTER ME FOR E-PORTFOLIO (mobile number mandatory for e-portfolio registration)			Mobile No:
DIVIDEND & REFUND MANDATE (completion of this field is mandatory)			
Bank	IBAN		

IV DECISION MAKER / MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARY			
Title (Mr/Mrs/Ms/...)	Full Name & Surname		ID Card / Passport No
Document Type	Country of Issue	Date of Birth	Nationality
Title (Mr/Mrs/Ms/...)	Full Name & Surname		ID Card / Passport No
Document Type	Country of Issue	Date of Birth	Nationality

FAAE B - SPLIT / ASSIGN *(continuation)*

I/We hereby declare that I/we have fully understood the instructions for the completion of this FAAE and am/are making this FAAE solely on the basis of the Prospectus, and subject to the Terms & Conditions contained therein which I/we fully accept.

I/We hereby authorise the Company to forward the details to the Malta Stock Exchange for the purposes of registering the New Ordinary Shares in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this FAAE in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Company may require additional information for Transaction Reporting purposes and agree that such information will be provided.

Signature/s of Assignee/s

(Parent/s or legal guardian/s is/are to sign if Assignee is a minor)

(All parties are to sign in the case of joint Assignees)

(Bare owner/s and usufructuary/ies to sign in the case of holdings of Shares that are subject to usufruct)

Date

ANNEX 3 – APPLICATION FORMS (EXCESS SHARES OFFER)

Malita Investments p.l.c. Excess Shares Offer €0.50 per New Ordinary Share APPLICATION FORM GENERAL PUBLIC

Please read the notes overleaf before completing this application form (the "Application Form"). Mark 'X' where applicable.

APPLICANT (see notes 2 to 7)

A Non-resident Minor (under 18 yrs) Body Corporate / Body of Persons CIS-Prescribed Fund

B TITLE (Mr/Mrs/Ms/...) FULL NAME & SURNAME / REGISTERED NAME

ADDRESS / REGISTERED OFFICE

POSTCODE

MSE A/C NO. (if applicable)	ID CARD / PASSPORT / COMPANY REG. NO.	MOBILE NO.	
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
LEI (Legal Entity Identifier) (if applicant is NOT an individual):		PLEASE REGISTER ME FOR E-PORTFOLIO <input type="checkbox"/>	
		(Mobile number mandatory for e-portfolio registration)	

C ADDITIONAL (JOINT) APPLICANTS (see note 3)

TITLE (Mr/Mrs/Ms/...) FULL NAME & SURNAME ID CARD / PASSPORT NO.

DOCUMENT TYPE COUNTRY OF ISSUE DATE OF BIRTH NATIONALITY

D DECISION MAKER/MINOR'S PARENTS/LEGAL GUARDIAN(S)/USUFRUCT (see notes 4, 7 and 8)

TITLE (Mr/Mrs/Ms/...) FULL NAME & SURNAME ID CARD / PASSPORT NO.

DOCUMENT TYPE COUNTRY OF ISSUE DATE OF BIRTH NATIONALITY

TITLE (Mr/Mrs/Ms/...) FULL NAME & SURNAME ID CARD / PASSPORT NO.

DOCUMENT TYPE COUNTRY OF ISSUE DATE OF BIRTH NATIONALITY

E I/WE APPLY TO PURCHASE AND ACQUIRE (see note 9):

NUMBER OF NEW ORDINARY SHARES IN FIGURES NUMBER OF NEW ORDINARY SHARES IN WORDS

New Ordinary Shares in Malita Investments p.l.c. (minimum subscription of 1,000 New Ordinary Shares and in multiples of 100 New Ordinary Shares thereafter) at the Offer Price of €0.50 per New Ordinary Share, as defined in the Prospectus dated 14 February 2024 payable in full upon application under the Terms and Conditions of the New Ordinary Shares as set out in the Prospectus.

AMOUNT PAYABLE

€

F DIVIDEND & REFUND MANDATE (see note 11 & 12) (completion of this panel is mandatory)

BANK IBAN

G I/We hereby declare that I/we have fully understood the instructions for the completion of this Application Form and am/are making this Application Form on the basis of the Prospectus dated 14 February 2024, and subject to the Terms & Conditions contained therein which I/we fully accept.

I/We hereby authorise the Company to forward the details to the Malta Stock Exchange for the purposes of registering the New Ordinary Shares in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MIFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Bank may require additional information for Transaction Reporting purposes and agree that such information will be provided.

Signature/s of Applicant/s

(both parents or legal guardian/s are/is to sign if Applicant is a minor)

(all parties are to sign in the case of a joint Application)

(Bare owner/s and usufructuary/ies to sign in the case of holdings of Shares that are subject to usufruct)

Date

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP

AUTHORISED FINANCIAL INTERMEDIARY'S CODE

APPLICATION NUMBER

Notes on how to complete this Application Form and other information

The following notes are to be read in conjunction with the Prospectus dated 14 February 2024 regulating the Excess Shares Offer

1. This Application is governed by the Terms and Conditions of the Excess Shares Offer contained in the Securities Note dated 14 February 2024 forming part of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.
2. The Application Form is to be completed in BLOCK LETTERS. Applicants who are non-residents for tax purposes must indicate their passport number in Panel A.
3. Applicants are to insert full personal details in Panel B (including MSE account number which is mandatory). In the case of an Application by more than one person (including husband and wife) full details of all individuals must be given in Panels B and C but the person **whose name appears in Panel B shall, for all intents and purposes, be deemed to be the registered holder of the New Ordinary Shares (vide note 6 below)**. Applications by more than two persons are to use the addendum to the Application Form.
Upon submission of an Application Form, Applicants who opt to have an online e-portfolio facility (by marking the relative box in Panel B), will receive by mail at their registered address a handle code to activate the new e-portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application Form. The shareholder's statement of holdings evidencing entitlement to New Ordinary Shares held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on <https://eportfolio.borzamalta.com.mt/>. Further detail on the e-portfolio may be found on <https://eportfolio.borzamalta.com.mt/help>.
4. Applications in the name and for the benefit of minors shall be allowed provided that the applicant already holds an account on the MSE. Any New Ordinary Shares allocated pursuant to such an Application shall be registered in the name of the minor as Shareholder, with dividend, if any, payable to the parents or legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, which all dividends, if any, shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. Panel D must be inserted with full details of the parents/legal guardians.
5. In the case of a body corporate, the name of the entity exactly as registered and the registration number are to be inserted in Panel B. A valid Legal Entity Identifier ("LEI") needs to be inserted in Panel A. **Failure to include a valid LEI code, will result in the Application being cancelled by the Registrar.** Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.
6. **APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT QUOTED ON THIS APPLICATION FORM EVEN IF THE DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE CSD OF THE MALTA STOCK EXCHANGE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF. A SEPARATE REQUEST BY THE APPLICANT TO CHANGE THESE DETAILS AS RECORDED AT THE MALTA STOCK EXCHANGE, WILL HAVE TO BE AFFECTED.**
7. Where a decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "decision maker") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be included in Panel D.
8. Where an MSE account number is held subject to usufruct, Panel D needs to be completed and both the bare owner/s and the usufructuary/ies are to sign this Application Form.
9. Applications must be for a minimum subscription of 1,000 New Ordinary Shares and thereafter in multiples of 100 New Ordinary Shares.
10. Dividends if any will be credited to the account indicated in Panel F.
11. The Excess Shares Offer will open at 08:30 hours on 28 February 2024 and will close at 14:00 hours on 15 March 2024.

Completed Application Forms are to be delivered to any Authorised Financial Intermediary listed in Annex I of the Prospectus during regular office hours but in any case not later than 14:00 hours on 15 March 2024. **Remittances by post are made at the risk of the Applicant and the Issuer disclaims all responsibility for any such remittances not being received by the date of closing of the subscription lists.** If any Application is not accepted after the closure of the subscription lists or is accepted for fewer New Ordinary Shares than those applied for, the monies equivalent to the number of New Ordinary Shares not being accepted will be returned by direct credit into the IBAN specified in Panel F.

12. The Issuer, through the Registrar, reserves the right to refuse any Application which appears to be in breach of the Terms and Conditions of the Excess Shares Offer as contained in the Prospectus dated 14 February 2024.
13. By completing and delivering an Application Form you (as the Applicant(s)) acknowledge that:
 - a. the Issuer or its duly appointed agents including the CSD and the Registrar, may process the personal data that you provide in the Application Form in accordance with the Data Protection Act (Cap. 586 of the laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;
 - b. the Issuer may process such personal data for all purposes necessary for and related to the New Ordinary Shares applied for; and
 - c. you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer.

Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. Prospective investors are urged to read the Prospectus with particular reference to the sections entitled "Risk Factors" as contained in the Prospectus. Prospective Investors should seek financial advice before deciding to invest in the New Ordinary Shares.



Malita Investments p.l.c.

Clock Tower, Level 1, Tigné Point,
Sliema SLM3190, Malta
T: 2132 3503

malitainvestments.com

Registration No: C 53047