



Malta Properties

FY 2020 Investor Update



Birkirkara New Exchange

Overview

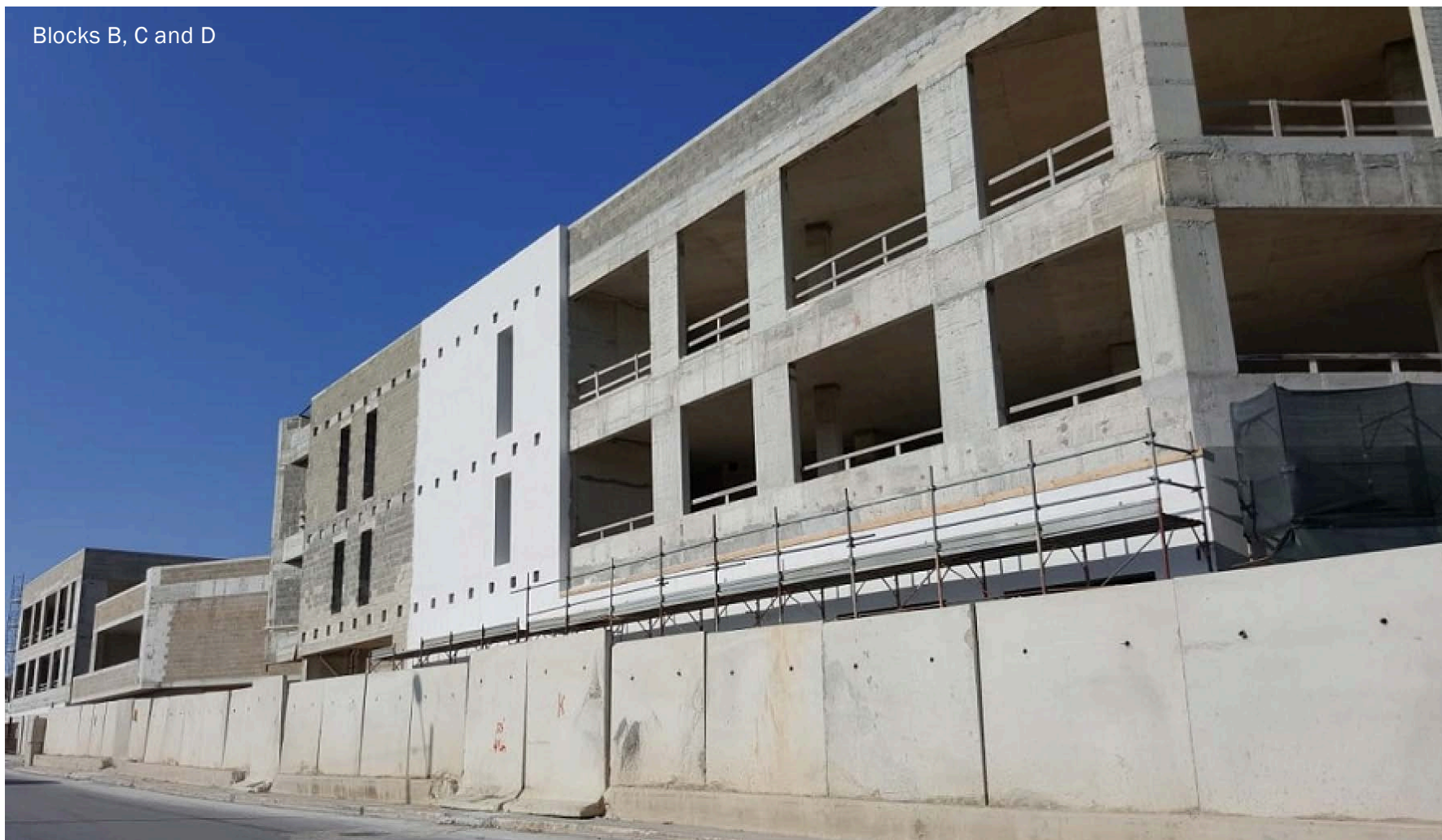
- Steady financial progress:
 - Revenue steady in-spite of loss of rent from St. George's and St. Paul's Bay Exchanges
 - Opex contained leading to marginal improvement in operating profits
- Pursuing growth in line with our strategy:
 - Purchase of landmark property in Swatar from HSBC Bank Malta p.l.c. for €7.825 million
 - We continue to explore other investment opportunities
- Progress on development projects:
 - Steady progress at Zejtun - we expect to complete during 2021
 - Progress on planning permission application at Marsa Spencer Hill

Zejtun



Zejtun

Blocks B, C and D



Overview (2)

Increase in NAV per share to €0.55 (from 0.53) and proposed dividend per share of 1c2

1. COVID19 had no tangible financial impact on the Group

- Remote work policy in place; no disruption to MPC operations
- Strong tenants with medium term leases, securing a constant income stream
- Rent collection for 2020 remained at 100%

2. Increase in Property Values

- Most properties leased to tenants in resilient sectors
- Valuation of Group's properties increased in 2021 even when excluding acquisitions
- NAV per share increased to €0.55 from €0.53 in 2019

3. Capital Management

- Recommendation for the payment of a €1.2M (1c2 per share) dividend in relation to 2020
- Refinancing for the €16M loan to be finalized in the coming months

2020: Key Financial Highlights

Operating Profit

- Rental income stable at €3.4M
- Admin expenses stable at €1.3M

Fair Valuation of Property

- Main increases due to Swatar acquisition and St. George's site which is now closer to its sale (by Aug 2021)
- FV increases include properties being vacated for potential development

Profit for the Year

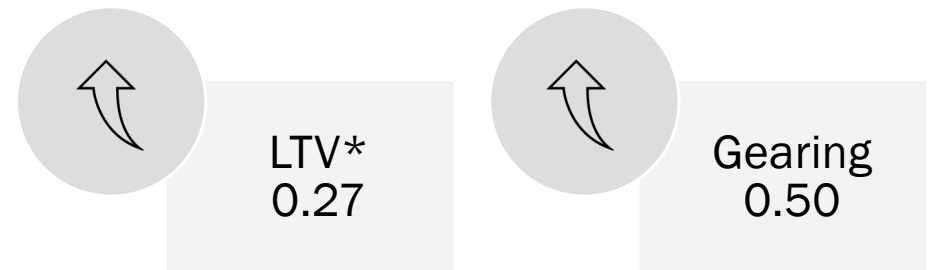
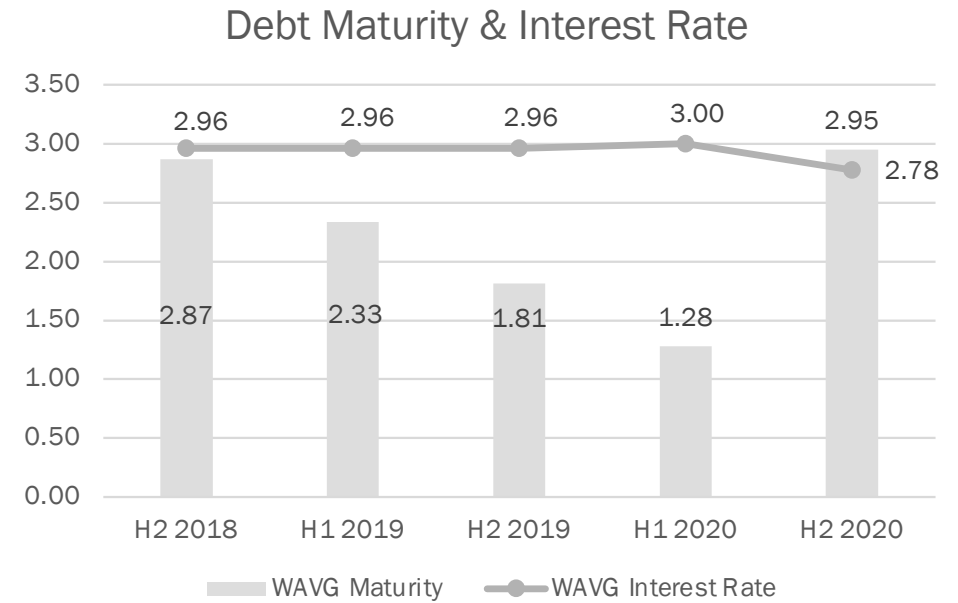
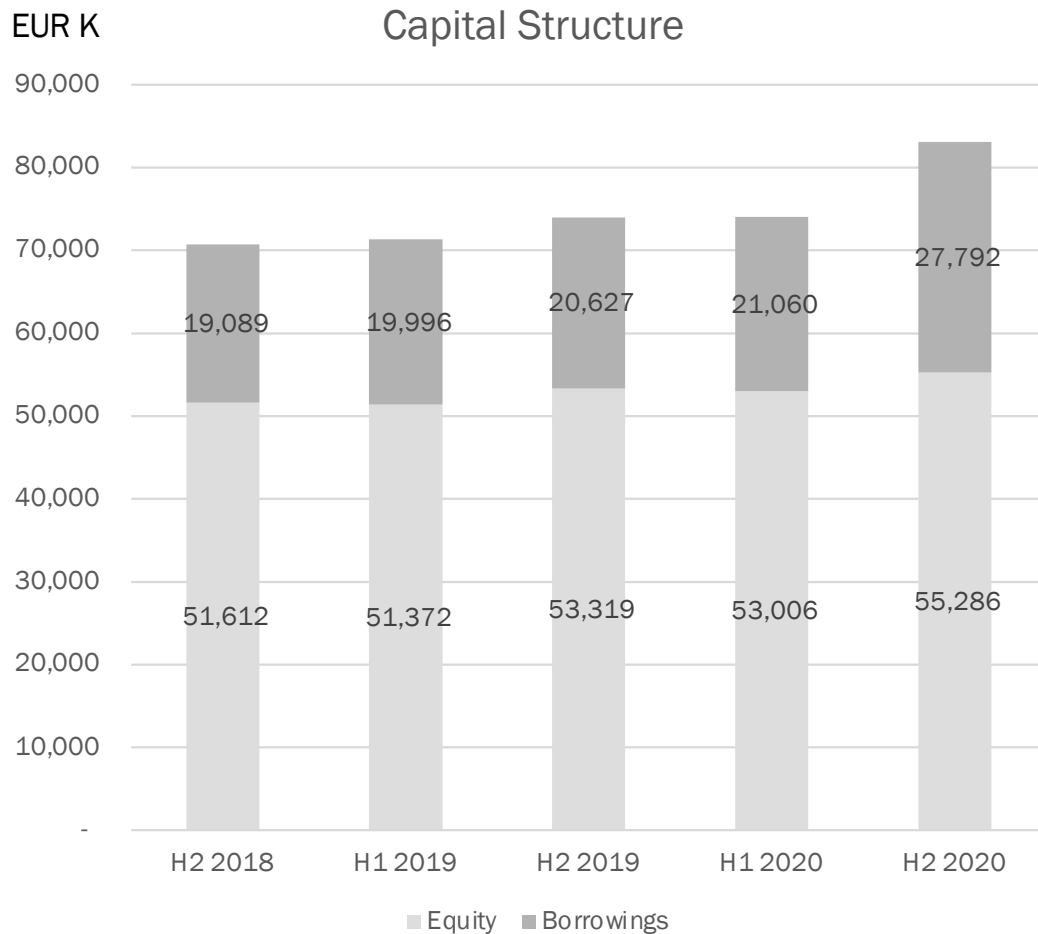
- Profit after tax stood at €2.98M (€2.69M in 2019)
- EPS of €0.03 (an increase of 11% over 2019)

H1 2020 Profit and Loss Account

	2020 €	2019 €
Rental income	3,405,891	3,395,992
Other income	32,764	30,213
Administrative expenses	(1,302,091)	(1,301,910)
Operating profit/(loss)	2,136,564	2,124,295
Finance costs	(549,894)	(505,513)
Gain on disposal of property	-	250,000
Adjustment arising on fair valuation of property	2,743,532	1,749,849
Profit before tax	4,330,202	3,618,631
Tax expense	(1,350,317)	(931,311)
Profit for the year	2,979,885	2,687,320
Earnings per share	0.03	0.03

- Revenue** remained in line with 2019. The decrease in rental income from properties vacated by GO plc in 2019 was made up for by the new rental income stream (Swatar property) and inflationary increases. Weighted average lease term stands at 5.4 years. Revenue will increase with completion of Zejtun.
- Operating profit** remained in line with prior year while **Profit before tax** increased reflecting the increase in fair value of various properties.
- Finance costs** increased reflecting the new borrowing costs.

Capital Structure & Debt Overview



* LTV calculation includes cash

H2 2020 Liquidity Position

- The Group has a strong liquidity position; year end cash balance amounted to €4.07 million
- During the year, loans of €7.7 million were drawn down, partly for the Swatar acquisition and other additions (mainly development on the Zejtun property) for a total of €9.8 million
- A dividend of €1.01 million was paid in respect of 2019 results
- Net interest cover and LTV remain within the bank's financial covenants

Outlook

- Despite its challenges, 2020 has been a year of continued progress for the Company
- Uncertainty remains in the commercial real estate market
- MPC is well positioned to adapt and take advantage of opportunities as they arise



Malta Properties

www.maltaproperties.com.mt

Investor enquiries

+356 21 23 00 32

info@mpc.com.mt