

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Malta Properties Company p.l.c. (the “Company” or “MPC”) pursuant to the Capital Markets Rules issued by the Listing Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta), as amended from time to time.

Quote

Promise of Sale Agreement – Ta’ Xbiex Property

By virtue of an agreement dated 13 September 2021, the Company entered into a promise of sale agreement (the “Agreement”) with a+ Investments Ltd, a limited liability company registered in Malta with registration number C 64807, having registered office at 53, ‘Mediterranean Building’, Abate Rigord Street, Ta Xbiex, XBX1122, Malta (the “Vendor”), whereby the Vendor promised and bound itself to sell and transfer to the Company a building, used as an office complex, numbered fifty-three (53), named ‘Mediterranean Building’, in Triq L-Abate Rigord in Ta’ Xbiex, Malta. The building consists of the entrance and common area on the ground-floor, including one half (1/2) undivided share of a room on the ground floor, and all the floors overlying the ground-floor up to the roof, the roof and its overlying airspace with all its rights and appurtenances (the “Property”). A basement underlying the ground floor of the building does not form part of the Property.

The Property is subject to ongoing lease agreements. The consideration for the sale and purchase of the Property is eight million and seven hundred and fifty thousand euro (EUR 8,750,000) payable as follows:

- (i) eight hundred and seventy-five thousand euro (EUR 875,000) (the “Deposit”) on the execution of the Promise of Sale Agreement; and
- (ii) the balance, amounting to seven million eight hundred and seventy-five thousand euro (EUR 7,875,000) in full and final settlement of the consideration on the Deed of Sale.

The Deposit does not constitute the giving of an earnest. The parties also agreed that the Company shall be entitled to a refund of the Deposit should it not appear for the publication of the deed of sale or terminate the Agreement for a valid reason as contemplated in the Agreement or for any other reason valid at law.

The acquisition of the Property is subject to, *inter alia*:

- (i) the Company obtaining the necessary permit ("AIP Permit") in terms of the Immovable Property (Acquisition by Non-Residents) Act, Chapter 246 of the Laws of Malta as would enable it to purchase the Property. In the event the AIP Permit is not obtained, the Company shall have the right to terminate the Agreement or not to appear on the Deed of Sale without forfeiture, penalty or any liability and shall be entitled to the immediate refund of the Deposit;
- (ii) the attainment by MPC of bank financing to fund the purchase of the Property. The Company shall have the option to withdraw from the Agreement without forfeiture, penalty or liability and to obtain a refund of the Deposit if such funding is not procured by the date stipulated in the Agreement;
- (iii) MPC being satisfied with the outcome of a due diligence exercise currently being undertaken in respect of the Property.

The Agreement shall remain valid and effective for a period up to and including the 28 December 2021 (or such other date as may subsequently be agreed between the Parties) in the case the AIP Permit has been issued by such date. In the event that the AIP Permit has not been issued by such date, the Agreement shall be automatically extended, and shall remain valid and effective for a period up to and including the 28 March 2022 (or such date as may be subsequently agreed between the Parties).

Notary Pierre Attard was appointed by the Company and Vendor to register the Promise of Sale Agreement with the Inland Revenue Department.

Upon publication of the Deed of Sale, the Property will be added to the Company's property portfolio and thereafter, the Company's income will be supplemented by rental payments attributable to the lease of the Property.

Unquote



Dr. Francis Galea Salomone
Company Secretary

13 September 2021