

Investor Update

Full Year 2021

April 2022



- Revenues increased by 6.0% in 2021 to €3.64m (€3.44m in 2020)
 - Led by full year of rent from Swatar property
 - Offsets lost income from Marsa Spencer Hill (which GO plc vacated in Feb 2021)
- EBITDA in line with previous year at €2.11m (€2.15m in 2020).
 - Higher revenues offset by increased admin costs, some of which are non-recurring
- NAV per share increased to €0.592 (up from €0.566 at December 2020) ¹
 - Increase led by St. George's Exchange, Swatar and Zejtun

1. Net of dividends

- Portfolio recycling remains an important focus, selling properties that do not fit MPC's portfolio and replacing them with new acquisitions. 2021 progress in this direction includes:
 - Closed sale of St. George's Exchange
 - Signed POS for sale of Old Birkirkara Exchange
 - Signed POS for acquisition of MIB Building, Ta'Xbiex. Transaction closed in March 2022
- Proposed dividend payout unchanged from previous year at 1c2, reflecting similar level of operating profits as previous year
- Revenue and operating profits will increase over 2022-23 as a result of MIB Building acquisition, delivery of Zejtun and other projects

Overview (3)

- In terms of funding, we refinanced the €16m loan due in December 2021. New loan has a bullet repayment at the end of 5-years and carries a cost Euribor + 3.0%
- MPC closed 2021 with a strong balance sheet with LTV at 18% (27% at Dec 2020). We are thus well placed to withstand any market turbulence and grow the portfolio

2021: Key Financial Highlights

Operating Profit

- Revenue grew to €3.64M
- Operating Profit steady at €2.10M

Valuation gains

- Increase in FV from St. George's Exchange
- Increase in FV from Swatar
- Increase in FV from Zejtun

Profit for the Year

- Profit after tax stood at €2.65M (€2.98M in 2020)
- EPS of €0.03 (€0.03 in 2020)

2021 Profit and Loss Account

Statement of Comprehensive Income			
	Actual Dec 2021 €000	Actual Dec 2020 €000	Variance €000
Revenue	3,577	3,406	171
Other income	67	33	34
Total income	3,643	3,439	205
Direct expenses	(126)	(60)	(66)
Gross Profit	3,517	3,379	139
Net impairment losses on financial assets	(19)	-	(19)
Administrative expenses	(1,407)	(1,233)	(174)
EBITDA	2,091	2,146	(55)
Depreciation	(12)	(9)	(2)
EBIT	2,079	2,137	(57)
Finance cost	(686)	(550)	(136)
Adjustment arising on fair valuation of property	2,219	2,744	(524)
Profit before income tax	3,613	4,330	(718)
Income tax expenses	(967)	(1,350)	384
Profit for the period - total comprehensive income	2,646	2,980	(334)
Earnings per share (in euro)	0.03	0.03	-

- Increase in **rental income** (vs. 2020) led by :
 - Additional rent from Swatar
 - Decrease in MSH Old Exchange rent
 - Increase in rents linked to inflation
- The increase in **Other income** led by maintenance income on Swatar (offset by higher repairs & maintenance costs in **Direct expenses**).
- Increased **admin expenses** led by:
 - Large increase in D&O insurance
 - Increased professional fee, linked to new Listing Rules requirements and AGM; also, work done on tax restructuring, legal and accounting services
 - Increase in wage bill
- **Provision for credit loss** on cash balances held with banks (IFRS requirement)
- **Finance costs** higher due to full year of interest on Swatar loan and renewal fees on HSBC loan

Key Balance Sheet metrics

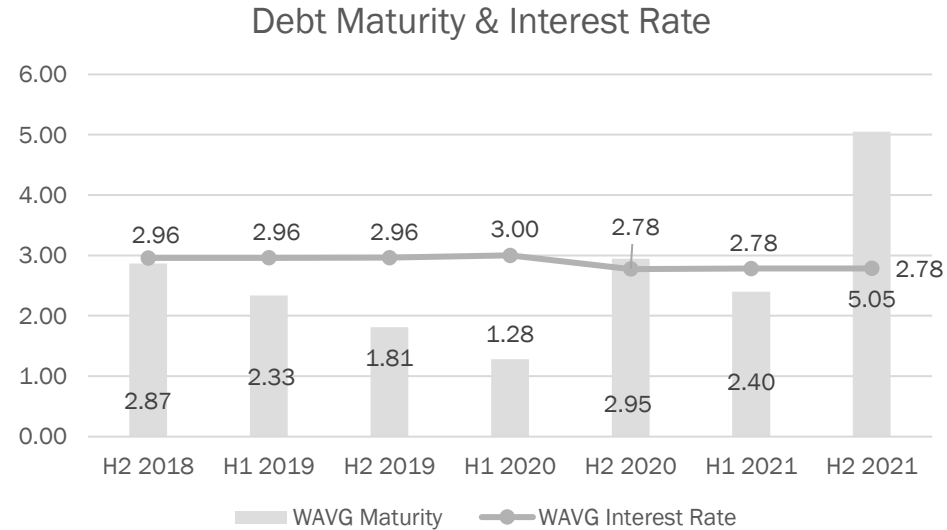
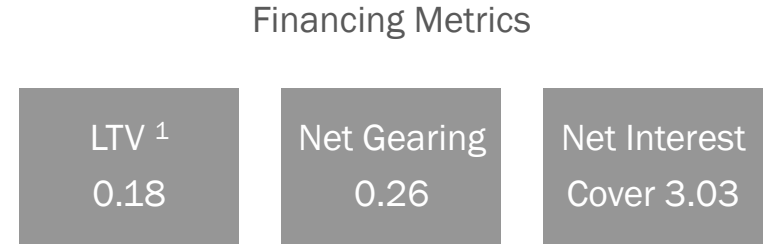
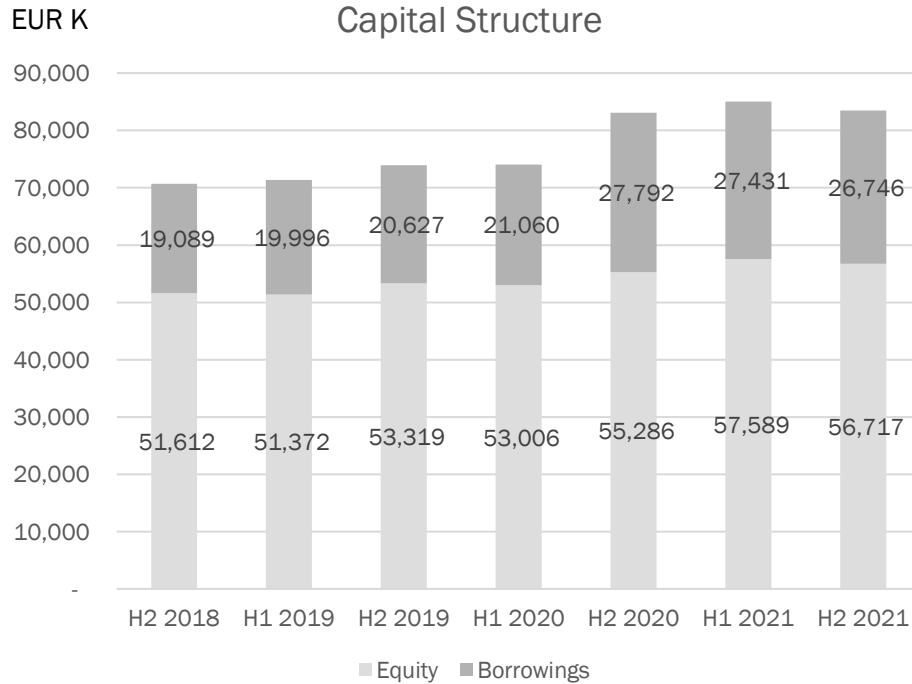
Company Performance			
	Actual Dec 2021 €000	Actual Dec 2020 €000	Variance €000
Total assets	92,812	94,099	(1,287)
Total liabilities	36,095	38,812	(2,717)
NAV at end of year	56,717	55,287	1,430
NAV per share	0.560	0.546	0.01
NAV per share (excluding dividend)	0.592	0.566	0.03
Property value (including PPE, incl PHFS)	79,119	88,946	(9,828)
Net borrowings	14,607	23,118	(8,511)
Loan-To-Value	18%	26%	-8%
Equity	56,717	55,287	1,430
Net borrowings	14,607	23,118	(8,511)
Gearing Ratio	26%	42%	-16%

- **NAV movement :**
 - Increase due to Dec 2021 profit of €2.646m
 - Less dividends of €1.216m.

- **Property value :**
 - Decrease due to St. George's sale of €14.0m
 - Capex on Zejtun of €1.8m; €0.1m on others
 - Increase in FV of €0.8m (FV gain from St. George's of €1.4 in 2021 included in the €14m above)

- **Net Borrowings :**
 - Decrease in net borrowings as a result of cash received on the St. George's sale of €11.6m
 - Deposit/stamp duty paid on acquisition €1m
 - Repayments of loans €1.6m
 - Other movements relate to additions to IP and dividends paid

Capital Structure & Debt Overview



1. LTV calculation includes cash

Acquisition of MIB Building



- Deed signed on 21st March 2022
- Acquisition price was revised to €8,575,000 (from €8,750,000 in POS), reflecting due diligence findings
- Acquisition funded by bank loan of €6.5m. Loan has a tenure of 15 years and carries an interest rate of Euribor + 225bps
- Fully tenanted, annualized rent of €677k (gross)
- Upgrade to common areas and façade planned for 2022-24

- Work on Zejtun project in the final phase



Block D



Block C

- Planning Application is ongoing – awaiting decision
- Planning Permit will provide optionality for development in the future
- However, we intent to renovate and lease out property. Work has commenced on a full renovation
- Expected to complete by year end



- Revenue and operating profits will increase in 2022-23 as we fully handover Zejtun, earn income from MIB Building and find a tenant for Marsa Spencer Hill
- We also continue to actively look for inorganic growth opportunities

Portfolio Overview

Property	Tenant	Lease outstanding (in years)	NIA (sqm)
Industrial Properties			
B'Kara New Exchange	GO p.l.c.	6.8	860
B'Kara epic	epic	7.7	994
Rabat Exchange	GO p.l.c.	2.7	709
Marsa New Exchange	GO p.l.c.	5.7	340
St. Paul's Bay Exchange	GO p.l.c.	4.3	746
Sliema Exchange	GO p.l.c.	2.7	560
Mosta Exchange	GO p.l.c.	2.8	1,678
Zejtun Data Centre	GO p.l.c.	10.1	10,040
Radio Link, Naxxar	GO p.l.c.	2.8	488
			16,415
Offices			
GO Head Office, Marsa	GO p.l.c.	2.8	9,130
Victoria, Gozo	GO p.l.c.	2.8	291
The Bastions, Floriana	Finco, Planning Authority	0.5	1,431
Spencer Hill, Marsa	Vacant	-	3,960
Swatar Call Centre	HSBC Global Services (UK)	2.1	6,555
MIB, Ta' Xbiex	Genesis, MIB, etc.	2.7	2,175
			23,542
Other			
B'Kara Old Exchange	GO p.l.c.	0.3	2,800
Overall portfolio		4.4	42,757



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