



Malta Properties Company plc
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The following is a Company Announcement issued by Malta Properties Company p.l.c. (“**the Company**”) pursuant to the Capital Markets Rules as issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta) as they may be amended from time to time.

Quote

The Company continued to make steady progress in the third quarter of 2022. Amongst the notable achievements in the quarter under review, the Company commenced the handover of their flagship Zejtun development to its tenant GO plc. It is expected that the full Zejtun project will be handed over by the end of 2022.

The commencement of income from the Zejtun property together with income from the MIB Building in Ta’ Xbiex which was acquired earlier in the year has resulted in higher revenues compared to the same period of 2021. Up to the quarter under review, the Company was able to maintain costs under control in spite of increases in commodity prices and a broad spike in inflation. Higher revenues combined with cost control resulted in an increase in operating profits, with EBIT rising from €1.85 million up to Q3 2021 to €2.21 million up to Q3 2022. Profit for the period was lower compared to the same period for the previous year primarily due to lower fair value gains as well as deferred tax related to the recently acquired building in Ta’ Xbiex. Up to the quarter under review, a fair value gain of €1.07m was recorded compared to €1.93m for the same period in the previous year.

Comparison with same period last year ¹

	YTD Q3 2022	YTD Q3 2021
	€'000s	€'000s
Revenue	3,040	2,732
EBIT	2,206	1,849
Profit for the period	1,275	2,562

Another notable development was the issuance of a €25,000,000 Bond. The secured Bond paying a 4.0% coupon was well received by the market and brings significant benefits to the Company including materially extending the duration of the Company’s loans and protecting the Company from increases in interest rates that are currently being experienced.

During the quarter under review, the Company also closed the sale of the old Birkirkara exchange for the sum of €8 million. This transaction together with the Bond proceeds implies that the Company maintains a strong financial position and can proceed with the execution of its strategy from a position of strength.

¹ All figures quoted in this document have been extracted from the Group’s Unaudited Management Accounts.

Outlook

Although macro-economic concerns are widespread at present, the Company maintains a positive outlook. The Maltese economy is underpinned by strong fundamentals and although we may experience an inflation in costs, many of the Company's tenancy agreements have built in rent increases. The Company expects to be able to increase revenues to compensate for the higher costs. Revenues in the near term will also be supported by the full handover of the Zejtun project as well as the renovation and subsequent occupancy of our Marsa Spencer Hill property. Work on the latter is progressing steadily and is expected to be completed in the next financial year.

Unquote

A handwritten signature in blue ink, appearing to read 'F. Salomone', with a long horizontal flourish extending to the right.

Dr. Francis Galea Salomone LL.D.
Company Secretary

28 October 2022