

Extraordinary General Meeting

2023

Presentation to Shareholders

14 December 2023

info@malitainvestments.com
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www.malitainvestments.com

AFFORDABLE HOUSING PROJECT

Project
Composition
&
timeframes

Project Composition

Locality	Apartments	Garages	Car spaces
Attard	8	-	3
Birkirkara	73	56	-
Cospicua	69	-	115
Kirkop A	19	21	-
Kirkop B	18	-	-
Kirkop C	8	6	-
Kirkop D	8	-	8
Hal Farrug, Luqa	267	240	45
Msida	102	22	-
Qrendi A	24	15	-
Qrendi B	26	20	-
Qrendi C	11	6	-
Siggiewi	84	90	15
Zebbug	8	6	-
Zurrieq	27	20	-
	752	502	186

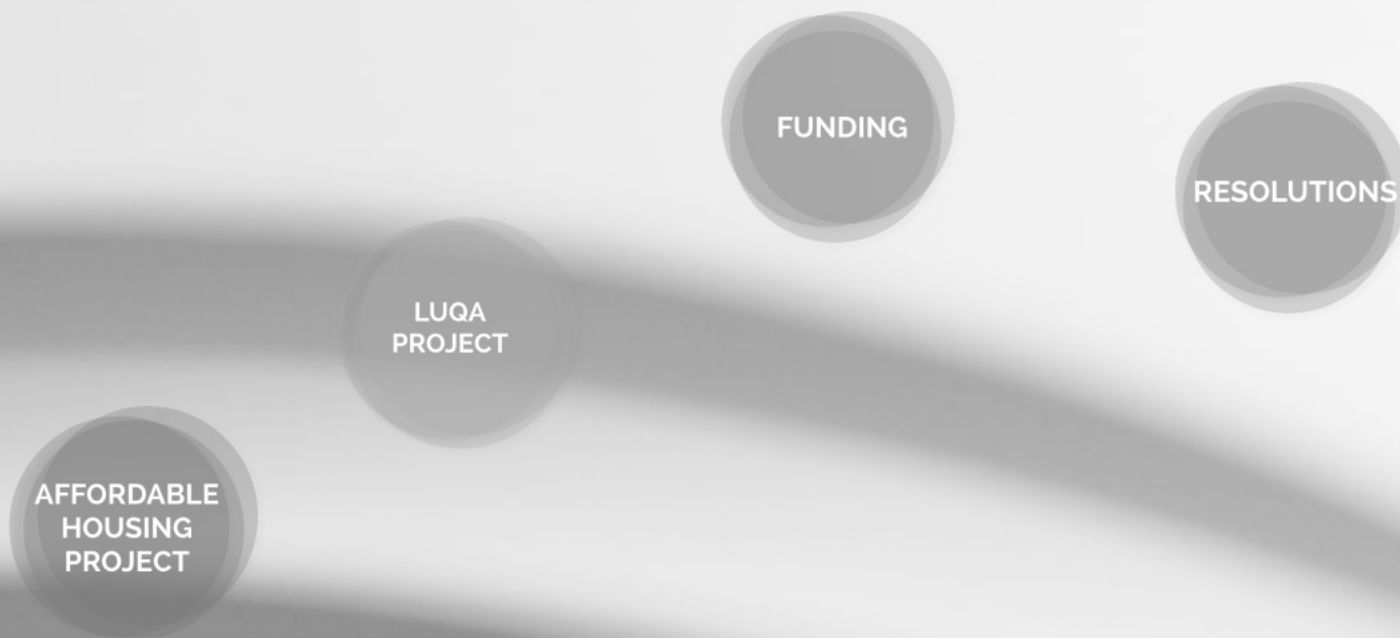
Completed Projects

Locality	Apartments	Garages	Car spaces
Attard	8	-	3
Birkirkara	73	56	-
Kirkop B	18	-	-
Kirkop C	8	6	-
Qrendi C	11	6	-
Zebbug	8	6	-
	126	74	3

- In **2022** Malita started **receiving lease income**
- Further units were **completed in 2023**
- **Zurrieq** site complete - awaiting compliance certificate

Expected Completion Dates

Locality	Apartments	Garages	Car spaces	Expected Completion
Cospicua	69	-	115	November 2024
Kirkop A	19	21	-	January 2024
Kirkop D	8	-	8	January 2024
Hal Farrug, Luqa	267	240	45	December 2026
Msida	102	22	-	January 2024
Qrendi A	24	15	-	July 2025
Qrendi B	26	20	-	February 2024
Siggiewi	84	90	15	March 2024
Zurrieq	27	20	-	December 2023
	752	502	186	



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LUQA PROJECT

**Green
Initiatives**

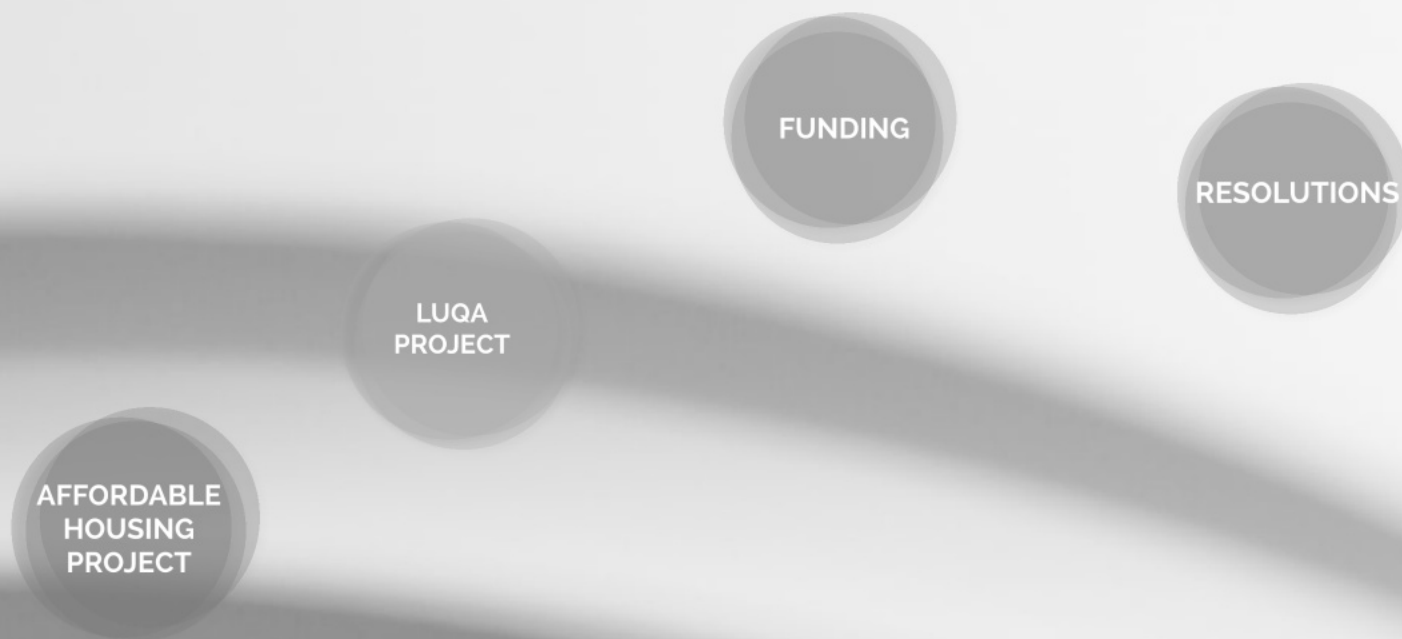
**Increase
in Scope**

Increase in Scope

- Increase from 182 units to 267 units - an increase of 85 extra units
- 193 garage spaces converted to 240 garages and 45 spaces for added revenue
- Project split into 3 blocks in order to finish project in phases & generate revenue earlier
- Estimated that first block will be ready 1 year earlier
- Whole project will be complete in December 2026

Green Initiatives

- Project has been approved as a green project by the European Investment Bank:
 - Internal yard with cross ventilation & natural illumination
 - Double glazing & tinted apertures for lower energy use
 - Reduction of dead spaces & corridors
 - Thermal insulation at roof level
- This resulted in more favourable terms and rates by EIB



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**PROJECT
FUNDING**

**Extension of
emphyteusis**

**Listing of
GOM
Shares**

**Rights
Issue**

**Bank
Funding**

**Increases in
Rents**

Listing of Government Shares

- Current Issued Share Capital of the Company split into Ordinary A & B shares
- Original requirement at IPO stage was due to Government waiver of the right to receive dividend for 3 years from the date of incorporation
- Currently A & B shares rank *pari passu*, hence will be amalgamated into one class of shares
- Following amalgamation, shares will be listed on the Malta Stock Exchange and can be traded

Project Funding

- The total project cost is now estimated at approximately Eur 120 million
 - Eur 58 million existing bank funding
 - Approximately Eur 30 million bank debt with approvals in place
 - Remaining estimated Eur 33 million via proposed rights issue
- Keeping borrowing costs at the lowest possible level despite current interest rates environment and inflation
- Looking at best mix of debt/equity financing

Rights Issue

- The board will be requesting its shareholders for authorisation to give effect to a rights issue
- The board looked at the best funding mix between debt & equity keeping in mind the Company's commitment to its lenders
- Rights Issue is expected to finance approximately 28% of the total cost of the affordable housing project
- More balanced capital structure

Rights Issue.. (cont)

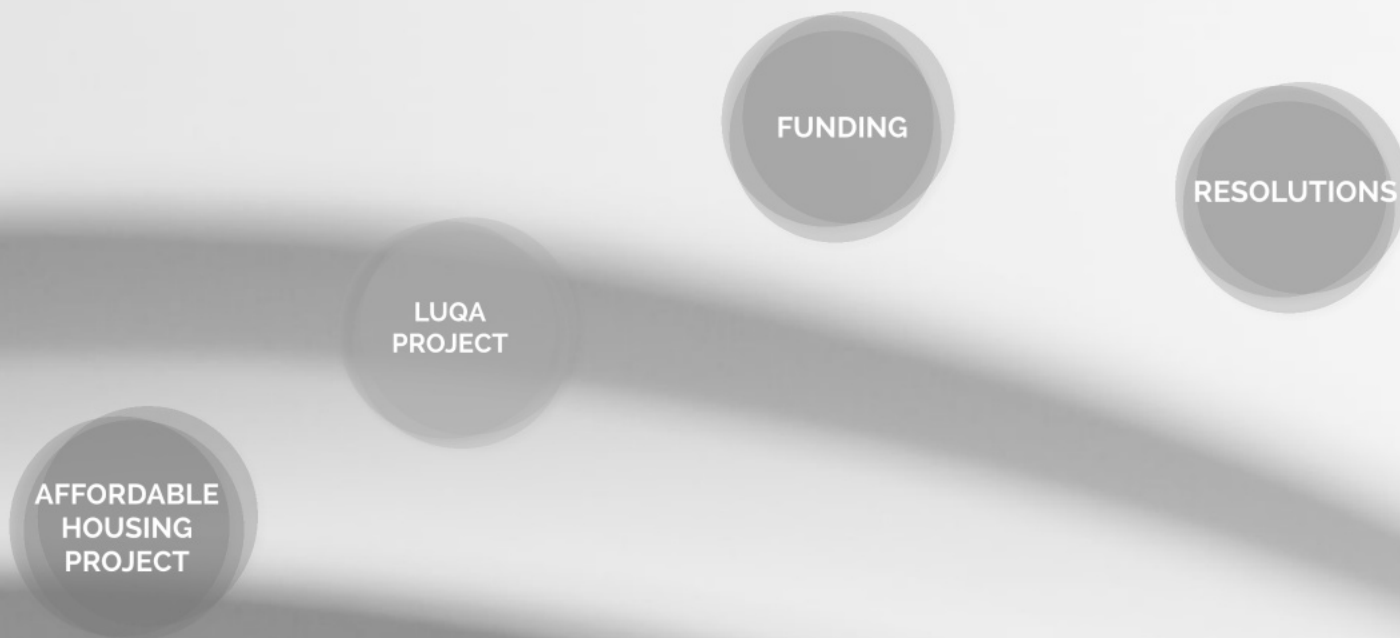
- Subject to approval during this EGM, the board will aim to launch the proposed rights issue in Q1 2024
- Government is fully supportive of the rights issue and confirmed the irrevocable undertaking to subscribe to its proportionate entitlement in full
- The board is confident that it can retain its current dividend policy
- From IPO to date the board paid 38c5 gross per share in dividends

Increase in rental rates

- Malita successfully renegotiated rental rates to take into account inflation and increased cost of construction.
- Increases will cover the incremental funding requirements and will retain the current rate of return of the project

Extension of emphyteutical deed

- Emphyteutical deed covered 25 year leases plus construction period
- Malita successfully renegotiated the emphyteutical concession and secured an additional 8 year term. This will allow the company to generate increased returns from the project
- Approved by the House of Representatives and signed on the 28th November 2023
- Finished properties will also have their lease extended accordingly



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RESOLUTIONS

Ordinary
Resolution

Extraordinary
Resolution 1

Extraordinary
Resolution 2

Extraordinary
Resolution 3

Authorisation granted to the Board of Directors of the Company to give effect to a rights issue and subsequent issuance and allotment of new ordinary shares in the issued share capital of the Company in terms of Article 3.1.2 of the Articles of Association of the Company

That for the purposes of Article 3.1.2 of the Articles of Association of the Company, the Board of Directors of the Company be authorised and empowered to:

- i) as and when deemed appropriate at the sole discretion of the Board of Directors, give effect to a rights issue and subsequent issue and allotment of new ordinary shares in the issued share capital of the Company to be offered on a pre-emptive basis to shareholders in proportion to the shares held in the Company as at the record date (the "Eligible Shareholders") and subject to such other terms as the Board of Directors may deem fit;
- ii) determine the allocation policy in respect of any new ordinary shares not subscribed for by the Eligible Shareholders;
- iii) carry out all such actions and execute all such documents as may be required in order to give effect to the rights issue and subsequent issue and allotment of new ordinary shares as set out in (i) and (ii) above.

Re-Designation and Increase of the Authorised Share Capital

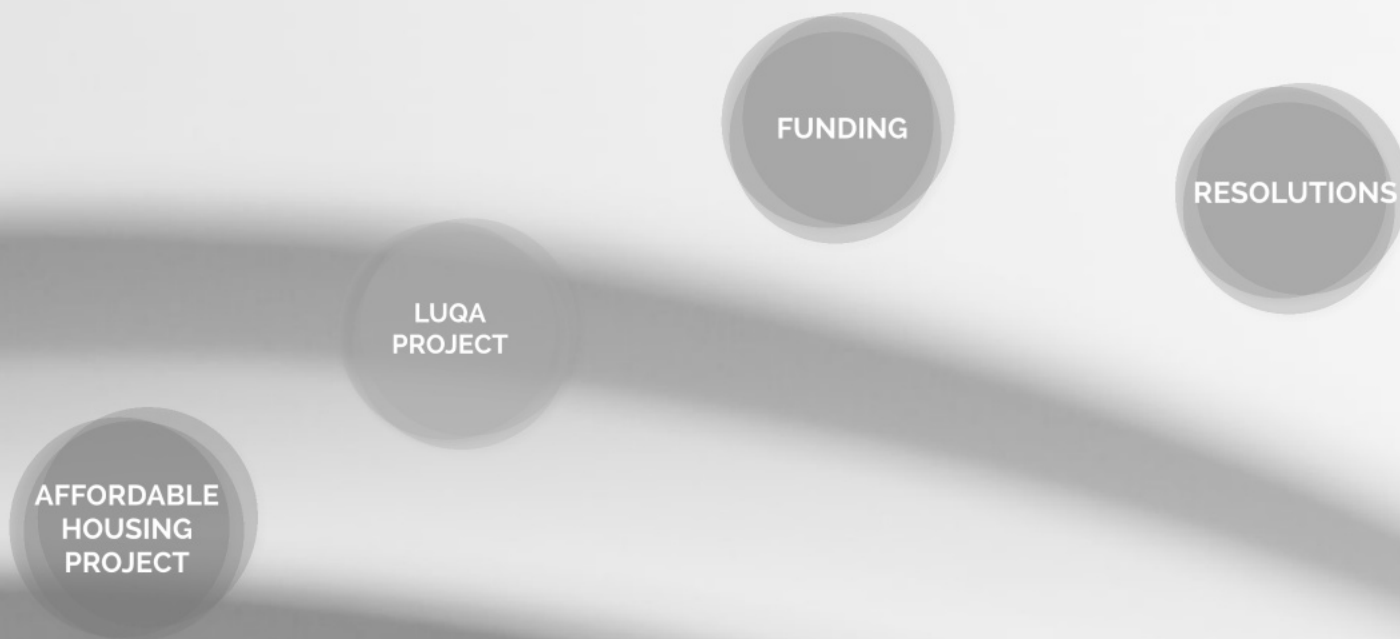
That the Company's authorised share capital be re-designated from one hundred million Euro (€100,000,000) divided into one hundred and fifty million (150,000,000) Ordinary 'A' shares of a nominal value of fifty Euro cents (€0.50) each and fifty million (50,000,000) Ordinary 'B' shares of a nominal value of fifty Euro cents (€0.50) each, to two hundred million (200,000,000) Ordinary shares of a nominal value of fifty Euro cents (€0.50) each, and immediately following such re-designation, the Company's authorised share capital be increased to one hundred and twenty-five million Euro (€125,000,000) divided into two hundred and fifty million (250,000,000) Ordinary shares of a nominal value of fifty Euro cents (€0.50) each.

Re-Designation of the Issued Share Capital

That the Company's issued share capital be re-designated from seventy-four million fifty-four thousand and thirty-two Euro (€74,054,032) divided into one hundred and eighteen million one hundred and eight thousand and sixty-four (118,108,064) Ordinary 'A' shares of a nominal value of fifty Euro cents (€0.50) each and thirty million (30,000,000) Ordinary 'B' shares of a nominal value of fifty Euro cents (€0.50) each, to one hundred and forty-eight million one hundred and eight thousand and sixty-four (148,108,064) Ordinary shares of a nominal value of fifty Euro cents (€0.50) each.

Amendments to the Company's Memorandum and Articles of Association

That the current Memorandum and Articles of Association of the Company be replaced in their entirety by the new Memorandum and Articles of Association (a copy of which was made available to shareholders at the registered office of the Company and on the Company's website since the dispatch of the notice convening this meeting), amended as explained in the Shareholders' Circular dated 14th November 2023 and circulated together with the notice convening this meeting.



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