

## **Report of the 8<sup>th</sup> Annual General Meeting of Malita Investments plc**

The following is a report of the 8<sup>th</sup> Annual General Meeting (the “**AGM**”) of Malita Investments plc (C 53047) (the “**Company**”) held remotely on the 3<sup>rd</sup> September 2020 at 15.00 CET.

### **Present:**

<b>Kenneth Farrugia</b>	Chairman and non-executive Director, Malita Investments plc
<b>Paul Mercieca</b>	Non-executive Director, Malita Investments plc
<b>Eric Schembri</b>	Non-executive Director, Malita Investments plc
<b>Ray Sladden</b>	Non-executive Director, Malita Investments plc
<b>Robert Suban</b>	Non-executive Director, Malita Investments plc
<b>Donald Vella</b>	Company Secretary, Malita Investments plc
<b>Stephen Mamo</b>	Partner, PricewaterhouseCoopers

The AGM was held remotely due to the ongoing health risks and concerns associated with the COVID-19 pandemic, and in accordance with the relevant provisions set out in the Companies Act (Public Companies – Annual General Meeting) Regulations, 2020 (Legal Notice 288 of 2020) (the “**Regulations**”).

Members representing 127,858,741 votes were present by proxy. The Company Secretary confirmed that, in accordance with the provisions of the Regulations and the provisions of Article 38.1 of the Company’s Memorandum and Articles of Association, a quorum was established.

In accordance with the relevant provisions set out in the Regulations, shareholders were invited to submit in writing any questions related to the resolutions by not later than 48 hours before the AGM. No questions were submitted.

With respect to the voting on all resolutions, the results were declared in line with the votes indicated on the proxy forms duly received from shareholders prior to the AGM.

### **Introduction and message from the Chairman**

The Chairman opened the AGM with a short introductory message. The Chairman noted that the Company’s principal activities continue to focus on the financing, acquisition, development, management and operation of immovable property, with a specific focus on projects of national and / or strategic importance, together with investment in local stocks and shares.

The Chairman noted that the Company continued to receive ground rents from MIA and VCP in relation to properties on which the Company owns the *dominium directum*, and with respect to the financial period ended 31<sup>st</sup> December 2019, the Company enjoyed a positive movement in the fair value of both the MIA and VCP properties respectively. During this period, the Company also enjoyed a positive movement in the fair value of the Parliament Building and the Open Air Theatre. Both surpluses are non-distributable and have been transferred to a non-distributable reserve.

In connection with the Company's affordable housing project, excavation works continued with good progress and have been substantially completed. During 2019, the Company issued further invitations to tender for the construction and mechanical and electrical works of these units, with a good number of these having been awarded and with works underway. Invitations to tender will continue to be issued in respect of the construction, mechanical and electrical works and finishes for the remaining sites.

The Chairman noted that the Company has already paid an interim dividend to its shareholders as well as a final gross dividend, with respect to profits available for distribution during the financial period under review.

Insofar as KPIs used in managing the Company's business are concerned, the Company has continued along the same lines as previous years, with a low working capital ratio. In 2019, the Company enjoyed a positive bank balance, which compares favourably to the overdrawn bank balance in the previous year. Such positive bank balance is primarily due to the short-term financing obtained for the Company's affordable housing project, which has, in turn, increased the Company's current liabilities for 2019. Capital expenditure for this project continued in 2019, which, once settled through loan disbursements, is expected to result in a working capital ratio of 0.63:1.

Insofar as the business and agenda of the AGM is concerned, the meeting proceeded as follows.

### **Ordinary Business**

#### **Appointment of Directors**

Following a call for nomination of directors pursuant to Article 55 of the Company's Articles of Association, the Company received two valid nominations from Dr Robert Suban and Mr Paul Mercieca. Since there were as many nominations as there were vacancies, no election took place and these nominees were automatically appointed directors in accordance with Article 55.4 of the Articles of Association of the Company. Accordingly no resolution was required.

The meeting then proceeded to vote on the following resolutions:

**QUOTE**

**1. Annual Report and Financial Statements**

That the financial statements for the year ended 31<sup>st</sup> December 2019 and the Directors' and Auditors' Reports thereon be and are hereby received and approved.

**UNQUOTE**

Mr Stephen Mamo on behalf of PricewaterhouseCoopers, read the Independent Auditors' opinion, this being an unqualified opinion, which is found on page 25 of the Annual Report and Financial Statements 2019.

A total of 127,381,954 votes were cast in favour of this resolution and a total of 0 votes were cast against this resolution. There were 476,787 abstentions.

**It was resolved that the financial statements for the year ended 31<sup>st</sup> December 2019 and the Directors' and Auditors' Reports be and are hereby received and approved.**

**QUOTE**

**2. Dividend Payment**

That the payment of a final gross dividend of €5,183,782 or €0.035 per share, consisting of an interim dividend which was paid on 6<sup>th</sup> September 2019 and an additional gross dividend which was paid on 12<sup>th</sup> May 2020, equating to a final net dividend of €4,015,209 or €0.02711 per share, be and is hereby approved and ratified.

**UNQUOTE**

It was noted that the final dividend consists of an interim dividend which has already been paid and which was declared by the directors on 7<sup>th</sup> August 2019 amounting to €1,955,026 or €0.0132 per share (net dividend of €1,270,767 or €0.00858 per share) and an additional gross dividend of €3,228,756 or €0.0218 per share (net dividend of €2,744,442 or €0.01853 per share) which has been recommended by the directors and which was subject to approval by the general meeting.

A total of 127,381,954 votes were cast in favour of this resolution and a total of 0 votes were cast against this resolution. There were 476,787 abstentions.

**It was resolved that the payment of a final gross dividend of €5,183,782 or €0.035 per share, consisting of an interim dividend which was paid on 6<sup>th</sup> September 2019 and an additional gross dividend which was paid on 12<sup>th</sup> May 2020, equating to a final net dividend of €4,015,209 or €0.02711 per share, be and is hereby approved and ratified.**

**QUOTE**

**3. Reappointment of PricewaterhouseCoopers as Auditors**

That the reappointment of PricewaterhouseCoopers as Auditors of the Company be and is hereby approved and the Board of Directors be and is hereby authorised to determine their remuneration.

**UNQUOTE**

A total of 127,381,954 votes were cast in favour of this resolution and a total of 0 votes were cast against this resolution. There were 476,787 abstentions.

**It was resolved the reappointment of PricewaterhouseCoopers as Auditors of the Company be and is hereby approved and the Board of Directors be and is hereby authorised to determine their remuneration.**

**QUOTE**

**4. Approval of Directors' Maximum Aggregate Emoluments**

That the maximum annual emoluments of the Directors be and is hereby set at €120,000 per annum.

**UNQUOTE**

A total of 127,361,954 votes were cast in favour of this resolution and a total of 10,000 votes were cast against this resolution. There were 486,787 abstentions.

**It was resolved that the maximum annual emoluments of the Directors be and is hereby set at €120,000 per annum.**

The meeting then proceeded to vote on the following resolutions, constituting Extraordinary Business, which resolutions were set out and explained in further detail in the Shareholders' Circular dated 28<sup>th</sup> July 2020 and which was made available to shareholders in advance of the AGM.

## Extraordinary Business

### Ordinary Resolutions

#### QUOTE

##### **1. Approval of Directors' Remuneration report**

That the directors' remuneration report, as set out on page 23 of the Company's annual report and financial statements for the financial year ended 31<sup>st</sup> December 2019 be and is hereby approved.

#### UNQUOTE

A total of 127,361,954 votes were cast in favour of this resolution and a total of 0 votes were cast against this resolution. There were 496,787 abstentions.

**It was resolved that the directors' remuneration report, as set out on page 23 of the Company's annual report and financial statements for the financial year ended 31<sup>st</sup> December 2019 be and is hereby approved.**

#### QUOTE

##### **2. Approval of Directors' Remuneration policy**

That the directors' remuneration policy, as set out on page 24 of the Company's annual report and financial statements for the financial year ended 31<sup>st</sup> December 2019 be and is hereby approved.

#### UNQUOTE

A total of 127,361,954 votes were cast in favour of this resolution and a total of 0 votes were cast against this resolution. There were 496,787 abstentions.

**It was resolved that the directors' remuneration policy, as set out on page 24 of the Company's annual report and financial statements for the financial year ended 31<sup>st</sup> December 2019 be and is hereby approved.**

## Extraordinary Resolutions

### QUOTE

#### **Amendments to the Company's Memorandum and Articles of Association**

That the current Memorandum and Articles of Association of the Company be and are hereby abrogated and replaced 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 28th July 2020 and circulated together with the notice convening this meeting.

### UNQUOTE

A total of 127,371,954 votes were cast in favour of this resolution and a total of 0 votes were cast against this resolution. There were 486,787 abstentions.

**It was resolved that the current Memorandum and Articles of Association of the Company be and are hereby abrogated and replaced 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 28th July 2020 and circulated together with the notice convening this meeting.**

There being no further business to discuss, the Chairman closed the AGM at 15:45 CET.