

COMPANY ANNOUNCEMENT

Mizzi Organisation Finance plc

Update to the market

Date of Announcement	23 December 2024
Reference	92/2024
In terms of Chapter 5 of the Capital Markets Rules	

QUOTE

Reference is made to section 6.2 of the prospectus dated 24 September 2021 (the “**Prospectus**”) relative to the issue of €45,000,000 3.65% unsecured bonds 2028-2031 (the “**Bonds**”), providing information about a proposed project on a site located in Blata I-Bajda, Malta. The site in question measures 3,281 square metres and is owned by Industrial Motors Limited (C 417) (“**IML**”), a subsidiary of Mizzi Organisation Limited (C 813) (“**MOL**”), one of the guarantors of the Bonds.

The project described in the Prospectus (the “**Hofra Project**”) originally contemplated the development of the site into a petrol station, underground facilities and a showroom to be occupied by the automotive division of the Mizzi Organisation, as well as a drive-through restaurant to be leased to a third-party operator. In terms of the Prospectus, approximately €4.3 million in net Bond proceeds were intended to be used to finance the Hofra Project, whereas the amount of €0.7 million was used to part finance the repayment of an intra-group loan agreement advanced by MOL to IML for the purposes of part financing phase 1 of the Hofra Project.

IML has encountered significant delays in the development of the Hofra Project, so far completing demolition of the former petrol station and excavation works in the underlying part of the site. Furthermore, in light of recent developments in the local and global automotive industry, predominantly driven by the growing demand in electric vehicles and resultant shift in consumer behaviour, IML has reassessed the viability of the development and operation of a petrol station at the site. For the purposes of reflecting, and adapting to, new market realities, and with a view to realising more profitable and relevant commercial opportunities which are consistent with market dynamics, IML has elected to reconsider the use of the Blata I-Bajda site and discard plans to develop a petrol station as part of the Hofra Project.

Details of the revised plans for the Hofra Project shall be announced in due course.

UNQUOTE

By order of the Board of Directors.



Dr. Malcolm Falzon
COMPANY SECRETARY