

## COMPANY ANNOUNCEMENT

### Melite Finance plc

#### Extraordinary General Meeting held

Date of Announcement	18 September, 2020
Reference	17/2020
Listing Rule	5.16.18

#### QUOTE

Further to the company announcement published on 11 September, 2020 (MTE16), the Board of Directors of Melite Finance plc (the “**Company**”) hereby announces that an Extraordinary General Meeting of the shareholders of the Company (the “**EGM**”) was held on 17 September, 2020. The purpose of the EGM was for the shareholders to consider, as required in terms of Article 104 of the Companies Act (Cap. 386 of the laws of Malta), whether any, and if so, what steps should be taken by the Company in light of the fact that the situation referred to in the said article, that is the net assets of the Company falling below half of its called-up issued share capital, has arisen.

During the EGM, a discussion was held on the position adopted in a meeting between the Company’s shareholders and Board of Directors held on 27 August, 2020, ahead of the publication of the unaudited interim financial statements of the Company for the financial period ended 30 June, 2020 (the “**Interims**”). The conclusions reached in the said meeting were ratified, including an undertaking of additional funding to the Company by the ultimate shareholders represented at the EGM should the need to support cashflow arise, up to an established limit (the “**Undertaking**”).

Having taken into account:

- i. the nature of planned actions, the plans actually realised to date and the likelihood of occurrence of those not yet realised;
- ii. the most recent professional valuations of the property rights constituting the underlying assets of the Company’s subsidiary, Melite Properties srl;
- iii. the availability of the said Undertaking;
- iv. the previously announced funding by the said ultimate shareholders in the amount of €1.1m; and
- v. the Company’s expectation to receive funding from its local bank pursuant to the Covid Guarantee Scheme offered by the Malta Development Bank, for an amount of €0.449m, for the purpose of servicing, in full, the forthcoming bond interest payment due in November 2020,

(of which (iii), (iv) and (v) above are subject to approval by bondholders of the restructuring plan to be presented thereto in due course), the said shareholders were supportive of the view expressed by

the Board of Directors of the Company, in the Interims, that that there is a reasonable expectation that the Company is able to continue in business for a period of at least 12 months from the end of the reporting period, and that accordingly the continued adoption of the going concern basis in preparing the Interims is justified.

In addition to the above, a discussion was held on possible additional measures which may be taken in further support of the restructuring plan contemplated by the Company. The viability and implementation of such measures require further consideration, and should they materialise, further announcements will be published by the Company in due course.

**UNQUOTE**

By order of the Board of Directors of Melite Finance plc.

A handwritten signature in black ink, appearing to read 'Malcolm Falzon', with a long horizontal flourish extending to the right.

**Malcolm Falzon**

Company Secretary