



Dizz Finance p.l.c.
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Co. Reg. No. C71189
The "**Company**"

Company Announcement relative to an assignment of the lease agreement

Date of Announcement

10th December 2018

The following is a company announcement issued by Dizz Finance p.l.c. ("the Company") pursuant to the Malta Financial Services Authority Listing Rules.

Quote

Dizz Finance p.l.c. hereby announces that on 26 November 2018, Dizz Limited (C 26823), a company forming part of the Dizz Group, having its registered office at Dizz Building, Carob Street, Santa Venera, signed an agreement with One Fashion Limited (C 25655), a company having its registered office at 113, Triq Ignazio Saverio, Birkirkara, to relinquish and assign the lease agreement on Unit RU 56/57 within The Point, Tigne, Sliema, from which the Dizz Group operated the Calliope brand.

The consideration for the assignment of the lease agreement is six hundred and forty thousand Euro (EUR 640,000), payable as to the sum of fifty thousand Euro (€50,000)

upon signing of the agreement and five hundred and ninety thousand Euro (€590,000) in full and final settlement of the consideration by not later than 5 March 2019.

Although the leased premises from which the Dizz Group operates its brands attract a premium value (or key money), which is estimated based on various factors including the location of the outlet or shopping complex, size, rental and term to expiry of the lease agreement amongst others, such value is not captured as an intangible asset in the financial statements of the Dizz Group. As a result, this transaction is designed to unlock just a small part of the significant undisclosed value that the Dizz Group holds in a number of tenancy agreements in key strategic retail areas.

This transaction is part of strategy to stream line operations, which ultimately focuses on maximising the Dizz Group's profits in the interest of bondholders. This is being done by achieving a better understanding of their esteemed clients' needs and preferences. In fact, although this transaction will result in the closure of a Calliope outlet, the Dizz Group continues to be committed to the Calliope brand and the operations will be strengthened in other locations where the brand's loyal clientele prefer to shop.

Unquote

A handwritten signature in blue ink, appearing to read 'Sam Abela', with a horizontal line above it.

Dr Sam Abela

Company Secretary