



17 January 2020

## COMPANY ANNOUNCEMENT

The following is a Company Announcement by HSBC Bank Malta p.l.c. pursuant to the Listing Rules issued by the Listing Authority.

### **Quote:**

On 15 January 2020, HSBC Bank Malta p.l.c. (the Bank) entered into a promise of sale agreement with Malta Properties Company p.l.c., a company registered in Malta bearing registration number C 51272 (MPC), a public liability company in the business of *inter alia* the acquisition and disposal of property, in order to dispose of a non core property asset which is not part of the Bank's normal business. The Bank promised and bound itself to sell and transfer to MPC the building complex officially numbered 22, Triq it-Torri, Swatar, limits of Birkirkara.

Following the company announcement published by the purchaser, the Bank has issued this company announcement to provide further relevant information and explain the basis for the sale.

The Board concluded that it was not the Bank's core purpose to act as a property management company and that it would provide a simplification benefit to transfer this responsibility to a third party and generate a small one-off profit. While the asset will no longer generate a revenue stream, post-transfer the Bank will benefit from reduced volatility in earnings associated with revaluations and a reduction in the complexity of related-party obligations.

The Bank advises that upon the signing of the final deed of sale, the value of the transaction will generate a small profit that will not have a material impact on the Bank's 2020 results.

**Unquote**

A handwritten signature in black ink, appearing to read "George Brancaleone".

George Brancaleone  
Company Secretary