



Merkanti Holding
p.l.c.

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Aragon House Business Centre
Dragonara Road
St. Julians, STJ 3140
Malta

COMPANY ANNOUNCEMENT

Reference: (05/2023)

This is a company announcement issued by Merkanti Holding p.l.c. (C 70823) (the "**Company**") pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

Update on the Acquisition of Sparkasse (Holdings) Malta Ltd.

On March 7, 2022, the Company announced that it had entered into an agreement ("SPA") to acquire Sparkasse (Holdings) Malta Ltd. from Anteilsverwaltungssparkasse Schwaz. The transaction was originally expected to close in the second half of 2022, though this forecast was subsequently amended to the first half of 2023.

Today the Company, jointly with Anteilsverwaltungssparkasse Schwaz, entered into an agreement to mutually terminate the SPA to acquire Sparkasse (Holdings) Malta Ltd. Consequently, the transaction will not close. The reason for the termination is not related to any aspect of the regulatory approval process but is related to timing and the change in global interest rate policy during this period.

The termination will not materially impact the financial results of the Company. However, as a result of the termination, the Company expects to impair minor capitalized costs associated with the transaction in the first half of 2023.

Samuel Morrow, Chief Executive Officer of Merkanti Holding commented: "Though we are disappointed with this update, we would like to thank everyone at Sparkasse (Holdings) Malta Ltd. for their cooperation and wish them all the best in the future."

By order of the Board.

Name: Dr Stephanie Sciberras
For and on behalf of
Ganado Services Limited
Company Secretary
24 July 2023