



COMPANY ANNOUNCEMENT

Melite Finance p.l.c.

Update to the market

Date of Announcement	15 March 2024
Reference	46/2024
In terms of Chapter 5 of the Capital Markets Rules	

QUOTE

The Board of Directors of Melite Finance p.l.c. (the “**Company**”) hereby announces that on the 7th February 2024, Melite Properties Srl, the wholly-owned Italian subsidiary of the Company holding title to 18 stores in various locations in northern Italy, terminated the lease contracts previously entered into with a third party tenant in respect of 10 of the said 18 stores. The termination of the lease contracts was effected in accordance with the provisions of the relative lease agreements entered into with such third party tenant, Giadea Srl, in consequence of the failure by said tenant to settle payment of rent due in respect of the month of January, 2024. As all formal requests for payment sent by Melite Properties Srl were not entertained, Melite Properties Srl submitted a claim with its insurers for reimbursement of the rental payments due in respect of the months of January and February 2024, and for payment of the rent due in respect of the month of March 2024, this being the three-month period covered by the insurance policy in question.

Notwithstanding the termination of the lease contracts in question, Giadea Srl has abusively retained occupancy of the stores in question, despite multiple solicitations from Melite Properties Srl’s management and Italian legal counsel to vacate the stores. Appropriate legal action with a view to Melite Properties Srl recovering possession of the stores in question in the most cost-effective and time-efficient manner, in addition to safeguarding its interests in respect of any unpaid rent as aforesaid, is in the course of being pursued. Failure to recover the debt due to Melite Properties Srl and, or a prolonged delay in Melite Properties Srl recovering possession of the stores for these to be leased to new third part tenants, would have a material adverse impact on the financial position of the Company.

In the meantime, Melite Properties Srl’s management is actively seeking alternative tenants willing to take over the stores in question once it regains possession thereof.

The Company remains in close contact with management on the developing situation and will be providing further updates to the market in due course.



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By order of the Board of Directors of Melite Finance p.l.c.

Malcolm Falzon
Company Secretary