

The following is a Company Announcement issued by QAWRA PALACE P.L.C., a company registered under the laws of Malta with company registration number C 27835 (hereinafter the “Company”), pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the laws of Malta), as amended from time to time.

Quote

Constitution of Security

It is hereby announced that the Security (as defined in the Prospectus and indicated below) has been granted and constituted in favour of the Security Trustee (as defined in the Prospectus) for the benefit and in the interest of Bondholders (as defined in the Prospectus) in terms of the Prospectus dated the 20th December 2022, as security for the fulfilment of the Company’s obligations arising from the Prospectus.

More specifically, with effect from 9th February 2023, the obligations of the Company to the Bondholders under the €25,000,000 5.25% secured bonds (ISIN: MT0002711209) issued by the Company in terms of the Prospectus (the “Bonds”) are secured by a second ranking special hypothec granting the Security Trustee, for the benefit of Bondholders, a right of preference and priority for repayment of the full amount of principal and interest due by the Company to the Bondholders in respect of the Bonds over the hotel complex known as ‘Qawra Palace Hotel’ situated at Qawra, which property is defined by the term ‘Hypothecated Property’ in the Prospectus.

Also in terms of the Prospectus and prior to the constitution of the Security as detailed above, the Issuer BOV Loan (as defined in the Prospectus), and the existing security thereunder including *inter alia* any special hypothecs, special privileges and security interests previously granted to Bank of Valletta plc in connection with the Issuer BOV Loan, have been extinguished and cancelled in accordance with terms of the Prospectus with effect from 9th February 2023.

The afore-mentioned second ranking special hypothec granted and constituted in favour of the Security Trustee for the benefit of Bondholders ranks subsequent to the first ranking special hypothec granted to Bank of Valletta plc as detailed in sub-section 7.6.1 of the Prospectus.

Unquote

By order of the Board



Dr Luca Vella
Company Secretary

10th February 2023

Company Announcement: QWR02