


VBL Plc (C56012)
(“the Company”)
COMPANY ANNOUNCEMENT
Information to the Market
(Letter to Shareholders)

Date: 17 March 2025
Ref. VBL02/2025

This is a Company Announcement made by the Company in compliance with the Capital Markets Rules.

The Company announces that the letter attached to this announcement as Annex 1 was today sent to its valuable shareholders.

The Company also wishes to take this opportunity to thank its shareholders, for their continuing support, confidence and above all, trust.



Dr Mikiel Calleja
Company Secretary



Valletta, 17th March 2025

Dear VBL Shareholder,

It is not often that we have reached out to communicate with you in the form of a letter, however, as Founders and Executive Directors of the VBL Group, we felt that the contents of this letter relate to events which mark an important milestone for the Group, and which deserve to be recorded with specific attention and official communication.

VBL Plc. was founded as Valletta Boutique Living Ltd. in 2012. From inception we had the vision to take Valletta to the level of other historical mediterranean locations. This wasn't going to happen by waving the magic wand but needed both a vision and spotless execution. Fast forward to 2025 and Valletta is now a hot-spot city bustling with life 24/7. Some might say, maybe even too busy at times. We have put all our efforts and energy, so that VBL forms an integral part of driving private investment into the capital city of Malta. Reaching this stage demanded a continuous effort, and an infinite number of small actions executed in the correct sequence, always ensuring sustainable growth for the VBL Group, for the benefit of its Shareholders.

In early 2024, VBL entered into a 30-year lease agreement with Ruby Hotels, for one of its flagship developments and one of its many owned properties, the Silver Horse Block. The Silver Horse Block is an asset which is currently being renovated into the largest hotel within the city walls of Valletta. This deal was communicated by Ruby Hotels in early 2025 and declared as a strategic project in their expansion in the segment. Please see media release at www.ruby-hotels.com.

Ruby Hotels was selected as a partner by VBL after months of market screening and negotiations with major hotel operators, from around the world. With 20 hotels in operation worldwide and a few more in the pipeline, Ruby Hotels was far from being the largest and most obvious number one candidate to partner with for this project.

What gave Ruby the edge?

Ruby Hotels are themed uniquely in every destination and optimize room space to the relevant regulations and physical parameters imposed by centuries old buildings, therefore optimizing operational results and returns to the property owners, whose aim is to revive and protect historical buildings and cultural heritage. Ruby Hotels' professional approach and corporate background ensures a high level of standardization from one side, and efficiency from the other. Their vision was focused, and we clearly saw their growth path ahead.



On the 18th of February 2025, Ruby Hotels announced a major deal whereby InterContinental Hotel Groups PLC (IHG), one of the Top 5 global hotel groups, acquired Ruby™ brand from Ruby for €110.5M as its 20th brand, while the operational aspect of Ruby Hotels remains unchanged.

Please see media release at www.ihgplc.com.

With this, VBL Group confirms that our plans are on track for the opening of the first internationally branded hotel in Valletta in 2026. Needless to say, this is one more important cornerstone of our vision of elevating Valletta's profile as a tourist destination on the global map.

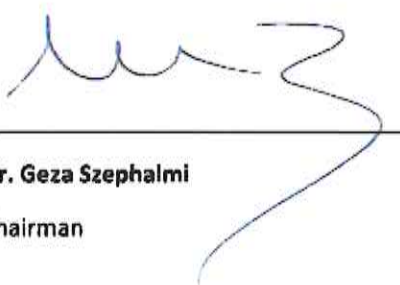
What does this mean for the VBL Shareholders?

This development project and concluded lease agreement for the building means a secured significant additional revenue stream for the VBL Group, which shall result in 3x-4x higher recurring annual EBITDA volume, a significant part of which would be free-cash flow, allowing the Company to deliver on its projected financial plans. In addition, the unlocking of the full book value potential of this significant asset within VBL's portfolio is expected to be realized along the original plans, by the end of year 2026. As a result, you – as a VBL Investor – would soon benefit from the full value and financial performance of this landmark asset, fully owned and renovated by VBL.

As Founders and Executives, we are truly grateful to all of You who have taken your time to understand our vision, our messages, asked questions, attended General Meetings, Company presentations and much more. From day one, our message was clear and consistent, that of unlocking Valletta's enormous potential. We are now, more than ever, looking forward to seeing our Shareholders benefitting from the deserved gains from their investment. While it pains us to see Shareholders offering their shares at values significantly below market value, exiting their investment early before key projects as mentioned above come to fruition, this is opening up attractive investment opportunities for those who want to share our vision at a discounted entry price.

We look forward to meeting you at the upcoming events. In the meantime, we encourage you to follow our social media pages, website news and more. Your presence encourages us to drive forward and push harder to achieve our goals, the long-term success of the VBL Group.

Sincerely Yours,



Dr. Geza Szephalmi
Chairman



Dr. Andrei Imbroll
Chief Executive Officer