



VBL Group



VBL Plc

COMPANY ANNOUNCEMENT

Coliseum POS Addendum

Date: 10th November 2021

Ref. VBL4/2021

This is a company announcement made by VBL Plc (“**the Company**”) in compliance with the Capital Markets Rules.

QUOTE

Reference is made to a prospectus issued by the Company dated 23 July 2021 in respect of an initial public offering for shares in the Company (the “**Prospectus**”). Reference is further made to certain sections within the Prospectus which describe a Promise of Sale Agreement on 1 October 2019, pursuant to which the Company promised to acquire from Pace Brothers Plc (C 253) (the “**Vendor**”) a number of immovable properties that are adjacent to one another or within close proximity, which together are collectively known as the ‘Coliseum Building’, situated in Zachary Street, Valletta (the “**Property**” and the Promise of Sale in respect of the Property the “**Coliseum POS**”).

The Company hereby announces that it has entered into an addendum dated 10th November 2021 (the “**Addendum**”) in which the Coliseum POS was amended as follows:

Extension of validity period: 10th November 2022.

Price and Payment Terms: €6,500,000 (the “**Price**”) payable as follows:

- (a) €650,000 on the execution of the Addendum on account of the Price;
- (b) €2,850,000 on the final Deed of Sale;
- (c) €1,000,000 shall be paid to the Vendor in kind by virtue of an issue of 3,571,428 shares in the Company of a nominal value of €0.20 per share at the offer price (as defined in the Prospectus) of €0.28 per share, upon execution of the final Deed of Sale; and
- (d) €2,000,000 without interest shall be payable by not later than the second anniversary from the date of the Addendum.


On the final Deed of Sale, the Vendor shall be entitled to reserve in its favour the special privilege and special hypothec over the Property in terms of law in order to guarantee the unpaid part of the Price.

The Company further announces that it has successfully negotiated with the Vendor that, notwithstanding the Addendum (which includes an extension with respect to the date of execution of the final deed by up to 12 months and an amendment to the payment terms), the Company shall be entitled to immediately apply for any necessary permits with the Planning Authority (the development of which is already provided for in the Prospectus), and in furtherance of the same, the Vendor has agreed to grant access and execute any necessary documentation as may be required.

As a result of the Addendum (i) the date for the final Deed of Sale has been extended; (ii) the payment of the Price has been staggered in the manner set out above; and (iii) the mechanism for payment of the Price has also been altered.

The Company does not expect the above change in terms relative to the acquisition of the Property previously contemplated in the Prospectus to give rise to any material departures from the revenue expected to be generated from the Property in the current financial year, nor its mid term projections. This is due to the aforementioned negotiations, as a result of which, the Company shall be permitted to make the necessary applications with the Planning Authority during the term of the Coliseum POS which should result in no material changes insofar as the Company's near term plans for the Property.

UNQUOTE



Dr David Meli
Company Secretary

10.11.2021