

This Circular is being issued by

VBL P.L.C.

A PUBLIC LIMITED COMPANY REGISTERED IN MALTA WITH COMPANY REGISTRATION NUMBER C 56012 HAVING ITS REGISTERED ADDRESS AT 54 MARSAMXETT ROAD, VALLETTA MALTA

Dated 21 June 2024

THIS CIRCULAR IS BEING ISSUED IN FULFILMENT OF THE REQUIREMENTS OF THE CAPITAL MARKETS RULES

Table of Contents

1. Important Information
2. Extraordinary Resolution: Amendments to Memorandum and Articles of Association
3. Ordinary Resolution: Authority to Issue Shares
4. List of Directors
5. Documents available for Inspection

1. Important Information

The 2024 Annual General Meeting (the ‘**AGM**’) of VBL p.l.c. (the “**Company**”) will be held on 26 July 2024 at 09.00 Hrs at the Casino Maltese at 247 Republic Street, VLT 1112 Valletta, Malta.

This Circular to Shareholders (the “**Circular**”) is being issued pursuant to Chapter 6 of the Capital Markets Rules issued by the Malta Financial Services Authority. It is being sent to all shareholders entitled to attend and vote at the forthcoming AGM to enable them to understand better the nature of the proposed resolutions that is to be considered at the AGM and to provide the necessary information to assist shareholders in making informed decisions.

This Circular is to be considered as complementary to the Notice to Shareholders and should be read in conjunction with the same. As shown in the Notice to Shareholders, apart from the customary resolutions to be considered at the forthcoming AGM, the shareholders are being requested to consider, and if deemed fit, approve two (2) further resolutions (one ordinary and the other extraordinary) constituting special business (concerning the authority to issue shares and amendments to the memorandum and articles of association).

If you have sold or transferred any or all of your shares in VBL p.l.c. you should at once, hand this Circular and any accompanying documents to the purchaser or transferee or to the person through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is important and requires your immediate attention. Please consult an appropriate independent professional adviser should you be in doubt as to the import of this document and/or any action required of you.

All the Directors of the Company whose names appear on page 5 accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Directors are recommending the resolutions relative to this Circular as contained in the Notice to Shareholders. Accordingly, in respect of the proposal and resolutions referred to herein, the Directors make their unqualified recommendation to shareholders to vote in favour of such proposal and resolution being submitted to their vote in connection with the transaction referred to herein. In the Directors’ opinion, the transaction described in this document is in the best interests of the Company and its shareholders as a whole.

2. Extraordinary Resolution: Amendments to the Memorandum and Articles of Association

Resolution:

“That with effect from the 02 August 2024, the Memorandum and Articles of Association of the Company be replaced *in toto* by the Memorandum and Articles of Association amended as described in the Circular to Shareholders dated 21 June 2024 (the “**Amended M&A**”) and that the Company Secretary be authorised to execute and submit the Amended M&A to the Malta Business Registry for registration.”

Explanation and Purpose:

An explanation of each of the proposed amendments to the Company’s Memorandum and Articles of Association is set out below. These amendments, if approved, are expected to become effective on or around 02 August 2024, upon their registration at the Malta Business Registry.

A. Amendments to Clause 5 (Share Capital), Clause 6 (Directors) and Clause 7 (Company Secretary) of the Memorandum of Association

The amendments proposed to be made to Clause 5 (Share Capital), Clause 6 (Directors) and Clause 7 (Company Secretary) of the Memorandum of Association are required as an update to reflect the current issued share capital, directors and secretaries of the Company. The Board of Directors has considered these proposed updates and amendments to Clause 5, Clause 6 and Clause 7 and the advice connected therewith and recommends the adoption of this resolution by the AGM.

B. Amendments to Clause 8 (Legal and Judicial Representation) of the Memorandum of Association

The amendments proposed to be made to Clause 8 of the Memorandum of Association are required to increase the current threshold of Euro 1,000,000, under which any two (2) Executive Directors are authorised to bind the Company with respect to the instruments and facilities named therein, to Euro 3,000,000. This increase is required to address the growth of the Company’s business volume, due to the growth of revenues and turnover of the Company and likewise, the value of contracts, instruments and facilities negotiated and entered into by the Company. The Board of Directors has considered these proposed amendments to Clause 8 and the advice connected therewith and recommends the adoption of this resolution by the AGM.

C. Amendments to Article 2 (Interpretation) of the Articles of Association

The amendments proposed to be made to Article 2 of the Articles of Association are required to amend reference to “Listing Rules” and “Listing Authority”. The Board of Directors has considered these proposed amendments to Clause 8 and the advice connected therewith and recommends the adoption of this resolution by the AGM.

D. Amendments to Article 5 (Share Capital and Due Diligence Register) of the Articles of Association

The amendments proposed to be made to Article 5 of the Articles of Association are clarificatory and do not represent a change in the structure or nature of the regulation and past and current practices. The amendments proposed to Article 5.1 are intended to clarify that further to the general authority of the Board of Directors to issue any unissued shares up to the authorised share capital of the Company, such authority applies to any issue and allotment of Shares, whether for a consideration in cash or kind. This is related to the growing exposure of the Company to the international investment and capital markets and is considered technical in all aspects. The Board of Directors has considered these proposed amendments to Article 5 and the advice connected therewith and recommends the adoption of this resolution by the AGM.

E. Amendments to Article 25 (General Meetings) of the Articles of Association

The amendments proposed to be made to Article 25.1 of the Articles of Association are required in order to clarify that the election and dismissal of the members of the Audit Committee of the Company is a function entrusted to the Company's Board of Directors and not the General Meeting. This is a technical alignment in line with the regulations of the Companies Act and the prevailing local market practices. The Board of Directors has considered these proposed amendments to Article 5 and the advice connected therewith and recommends the adoption of this resolution by the AGM.

F. Amendments to Article 28 (General Meetings) of the Articles of Association

The amendments proposed to be made to Article 28.1 of the Articles of Association consist in the deletion of Article 28.1 of the Articles due to repetition and the subsequent renumbering of Article 28.2 of the Articles of Association to Article 28 of the Articles of Association. The Board of Directors has considered these proposed amendments to Article 5 and the advice connected therewith and recommends the adoption of this resolution by the AGM.

G. Amendments to Article 60 (Convening and Proceedings of Board of Directors' Meetings) of the Articles of Association

The amendments proposed to be made to Article 60 of the Articles of Association consist in the extension of time within which to convene an adjourned board meeting from 48 hours to 72 hours. This is being proposed purely for operational reasons. The Board of Directors has considered these proposed amendments to Article 5 and the advice connected therewith and recommends the adoption of this resolution by the AGM.

Save for the amendments as set out above and updates made to certain clauses (i) in the Memorandum of Association in line with the information available to the Malta Business Registry and (ii) in the Articles of Association in order to update references to the applicable authority and rules, the Memorandum and Articles of Association are proposed to remain unchanged against the previously approved version.

The proposed amendments to the Company's memorandum and Articles of Association are available for viewing on the Company's website at <https://vbl.com.mt/investors/>

3. Ordinary Resolution: Authority for Directors to Issue New Shares

Resolution:

"That with effect from the date of this resolution, the Board of Directors shall be generally authorised and empowered to exercise all the powers of the Company to allot Shares up to an aggregate nominal amount equal to the amount of authorised share capital less the amount of the issued share capital of the Company during the period of such authorisation with such rights, restrictions, terms and conditions as the Board of Directors, in its absolute discretion, may deem fit. Such authorisation shall be valid for a period of five (5) years from the date of the approval of this resolution".

Explanation and Purpose:

In accordance with Article 5.1 of the Company's Articles of Association, the Board of Directors is currently authorised to issue and allot the Prescribed Amount (that is, the amount of authorised share capital less the amount of the issued share capital of the Company) during the Prescribed Period (that is (a) in the first instance the period expiring five years after the date of the adoption of the current Memorandum and Articles of Association) and (b) secondly, any other period (not exceeding five years on any occasion) for which the authority conferred by Article 5 is renewed or extended by ordinary resolution.

The purpose of this resolution is to renew the authority of the Board of Directors in terms of Article 5.1 of the Articles of Association and as such confirm that (i) the “Prescribed Period” as provided for in Article 5.3 of the Articles shall be five (5) years from the date of the approval of this resolution and (ii) that the “Prescribed Amount” as provided for in Article 5.3 of the Articles shall be the amount of authorised share capital less the amount of the issued share capital of the Company during the Prescribed Period as aforesaid.

This authority may translate into the potential issue and allotment of up to 80,820,817 ordinary shares of a nominal value of €0.20 each which represents circa 32.4% of the total ordinary share capital in issue as at the date of this Circular. In the Company’s listing prospectus dated 23 July 2021 as well as subsequent announcements issued by the Company, it has been explained that in line with the declared strategy and development plans, the Company regularly reviews a number of possible strategic options, including the possibility of raising further capital from strategic and/or financial investors or carrying out equity transaction(s), including options which might result in a change to the shareholding structure (the “**Capital Raise**”). In line with the Company strategy such additional capital involvement is required to secure the continuous growth and development of the owned assets. The Board of Directors intend to exercise this authority in furtherance of the Capital Raise and the issue and allotment made shall be to the extent necessary in order to allow the Company to implement its declared development and growth plans.

This authority would lapse on the 26 July 2029.

4. List of Directors

The Company’s directors who are responsible for the compilation of this Circular are as follows:

- i. Andrei Imbroll
- ii. Geza Szephalmi
- iii. Julian Tzvetkov
- iv. Artur Haze
- v. David Galea Souchet
- vi. Isabella Vella
- vii. John Attard

5. Documents Available for Inspection

Certified copies of the following documents will be available for inspection at the Company’s registered office for a period of at least fourteen (14) days from the date of publication of this Circular:

- The Memorandum and Articles of Association of the Company;
- The Company’s last Annual Financial Report and half yearly report, if any.