



Hili Properties plc
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March 23, 2026

Explanatory Memorandum: Extraordinary General Meeting

IMPORTANT INFORMATION

This explanatory memorandum (the “**Explanatory Memorandum**”) is issued by Hili Properties p.l.c., a public limited liability company bearing Maltese registration number C 57954 and having its registered office at Nineteen Twenty-Three, Valletta Road, Marsa MRS 3000, Malta (the “**Company**”). This Explanatory Memorandum is addressed to those persons appearing on the Company’s register of members, as maintained by the Central Securities Depository at the Malta Stock Exchange, as at the close of business on March 13, 2026 (the “**Record Date**”).

Persons appearing on the register of members of the Company on the Record Date (the “**Shareholders**”) will receive a copy of this Explanatory Memorandum. Where any or all of the shares held by a recipient of this Explanatory Memorandum have been sold or transferred prior to the date of receipt of this document, a copy of this Explanatory Memorandum and any other relevant documentation should be passed on to the person through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The purpose of this Explanatory Memorandum is to provide the Shareholders with the information necessary to enable them to make a properly informed decision in connection with the extraordinary general meeting of the Company to be held on April 15, 2026 (the “**EGM**”).

This Explanatory Memorandum is important and requires the immediate attention of all Shareholders. Shareholders who are in any doubt as to the action they should take are advised to seek independent professional advice.

The Board of Directors of the Company has authorised the issue of this Explanatory Memorandum following due consideration of the Capital Markets Rules (the “**CMRs**”) issued by the Malta Financial Services Authority (the “**MFSA**”), in particular, the requirements set out in Capital Markets Rule 1.19.3 which requires the Company to issue an explanatory memorandum setting out the reasons for an application for the discontinuation of listing of the entire issued share capital of the Company (the “**Shares**”), from the Official List of the Malta Stock Exchange (the “**MSE**”).

All the directors of the Company, namely David Aquilina, Archibald Bethel, Laragh Cassar, Pier Luca Demajo and Peter Hili (together, the “**Directors**”) accept responsibility for the information contained in this Explanatory Memorandum. 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 document is in accordance

with the facts and does not omit anything likely to affect the import of such information.

1. Background and reasons for the application for discontinuation of listing of the Shares.

Hili Ventures Limited, a private limited liability company incorporated under the laws of Malta with company registration number C 57902 (“**Hili Ventures**”), an existing shareholder of the Company, launched a conditional voluntary public takeover offer (the “**Bid**”) pursuant to an offer document dated February 21, 2025 (the “**Offer Document**”).

As a result of the Bid, Hili Ventures increased its shareholding in the Company to 87.74%. Subsequently, following further acquisitions of shares through the secondary market, Hili Ventures increased its shareholding in the Company to 97.19%.

In view of the resulting increase in the shareholding of Hili Ventures in the Company, it is now being proposed that the Company applies to the MFSA for the discontinuation of listing of the Shares on the Official List of the MSE on the basis that the conditions for continued listing can no longer be fulfilled.

The Directors are of the view that the limited free float, with approximately 97.19% of the Company’s shares currently held by a single shareholder, materially restricts trading activity in the Shares. As a result, the public market is unable to deliver one of the principal benefits of a listing, namely liquidity. In these circumstances, the listing of the Company’s securities on the MSE effectively creates the appearance of liquidity without being capable of providing it in practice.

In light of the above, the Directors are of the view that neither the Shareholders nor the Company are currently able to realise the benefits typically associated with maintaining a portion of the Company’s shares listed on the Official List of the MSE.

In the context of delisting, Hili Ventures has undertaken to acquire the remaining Shares from minority shareholders at a price of €0.27 per Share, conditional upon the Company submitting an application to discontinue the listing of its securities with the MFSA and thereby initiating the delisting process in accordance with the CMRs, specifically CMRs 1.19 – 1.23.

2. The proposed resolution

On March 16, 2026, the Board of Directors of the Company met and, *inter alia*, resolved to call the EGM in order for the Shareholders to consider, and if thought fit, approve, the following resolution (the “**Resolution**”):

*“That, in fulfilment of the procedures specified in Capital Markets Rules 1.19.2 and 1.19.3, in terms of Appendix 1.1 to Chapter 1 of the Capital Markets Rules and Capital Markets Rules 1.19 – 1.23, and with effect from such date and time as may be determined in conjunction with the Malta Financial Services Authority and the Malta Stock Exchange, the discontinuation of listing of all the Company’s shares (the “**Shares**”) from the Official List of the Malta Stock Exchange is hereby approved and that the Board of Directors of the Company is authorised and empowered to take all necessary steps, including the execution of all necessary documents, to process the discontinuation of listing of the Shares from the Official List of the Malta Stock Exchange.”*

The approval of the Resolution at the EGM would enable the Company to proceed with the submission of an application to the MFSA for the discontinuation of listing of the Shares from the Official List of the MSE.

3. Undertaking by Hili Ventures to purchase Shares

As outlined in Section 1 above, as at March 23, 2026, Hili Ventures held a 97.19% shareholding in the Company. Hili Ventures has provided the Board of Directors with an irrevocable undertaking to acquire any remaining Shares at a price of €0.27 per Share. The terms of this offer shall remain valid until the application for the discontinuation of the listing of the Company’s securities becomes effective, as determined by the MFSA and the MSE. Thereafter, Hili Ventures reserves the right to revise the terms of the offer, including the price per Share.

4. Directors’ Recommendation

Having made the necessary considerations, the Board of Directors is of the view that the Resolution is in the best interests of the Company and its Shareholders as a whole. The Board of Directors, therefore, recommends that the Shareholders vote in favour of the Resolution at the forthcoming EGM.

This Explanatory Memorandum has been approved and issued by Hili Properties p.l.c., a public limited liability company bearing Maltese registration number C 57954 and having registered office located at Nineteen Twenty-Three, Valletta Road, Marsa MRS 3000, Malta on March 23, 2026.

Marzu 23, 2026

Memorandum ta' Spjegazzjoni: Laqgħa Ġenerali Straordinarja

INFORMAZZJONI IMPORTANTI

Dan il-memorandum ta' spjegazzjoni (il-**"Memorandum ta' Spjegazzjoni"**) huwa ppubblikat minn Hili Properties p.l.c., kumpanija pubblika b'responsabbiltà limitata bin-numru ta' registrazzjoni Malti C 57954 u bl-uffiċċju rreġistrat fl-indirizz Nineteen Twenty-Three, Triq Valletta, Marsa MRS 3000, Malta (il-**"Kumpanija"**). Dan il-Memorandum ta' Spjegazzjoni huwa indirizzat lil dawk il-persuni li jidhru fir-reġistru tal-membri tal-Kumpanija, kif miżmum fid-Depożitorju Ċentrali tat-Titoli fil-Borża ta' Malta fi tmiem il-ġurnata tat-13 ta' Marzu 2026 (id-**"Data tar-Registrazzjoni"**).

Il-persuni li jidhru fir-reġistru tal-membri tal-Kumpanija fid-Data tar-Registrazzjoni (l-**"Azzjonisti"**) se jirċievu kopja ta' dan il-Memorandum ta' Spjegazzjoni. Fejn kwalunkwe sehem jew l-ishma kollha li jkollu xi hadd li jirċievi dan il-Memorandum ta' Spjegazzjoni jkunu nbiegħu jew ġew ittrasferiti qabel id-data ta' riċeviment ta' dan id-dokument, għandha tintbagħat kopja ta' dan il-Memorandum ta' Spjegazzjoni u kwalunkwe dokumentazzjoni rilevanti oħra lill-persuna li permezz tagħha sar il-bejgħ jew it-trasferiment għat-trasmissjoni suċċessiva lix-xerrej jew liċ-ċessjonarju.

L-iskop ta' dan il-Memorandum ta' Spjegazzjoni huwa li jipprovdi lill-Azzjonisti l-informazzjoni neċessarja biex ikunu jistgħu jieħdu deċiżjoni infurmata b'rabta mal-laqgħa ġenerali straordinarja tal-Kumpanija li se ssir fil-15 ta' April 2026 (l-**"EGM"**).

Dan il-Memorandum ta' Spjegazzjoni huwa importanti u jehtieg l-attenzjoni immedjata tal-Azzjonisti kollha. L-Azzjonisti li għandhom xi dubju dwar l-azzjoni li għandhom jieħdu għandhom jfittxu parir professjonali indipendenti.

Il-Bord tad-Diretturi tal-Kumpanija awtorizza l-hruġ tal-Memorandum ta' Spjegazzjoni wara kunsiderazzjoni xierqa tar-Regoli tas-Swieq Kapitali (is-**"CMR"**) maħruġa mill-Awtorità għas-Servizzi Finanzjarji ta' Malta (l-**"MFSA"**), b'mod partikolari, ir-rekwiżiti stabbiliti fir-Regola tas-Swieq Kapitali 1.19.3 li tirrikjedi li l-Kumpanija toħroġ Memorandum ta' Spjegazzjoni li jispjega r-raġunijiet għall-applikazzjoni għat-tmiem tal-elenkar tal-kapital azzjonarju maħruġ kollu tal-Kumpanija (l-**"Ishma"**), mil-Lista Uffiċjali tal-Borża ta' Malta (l-**"MSE"**).

Id-diretturi kollha tal-Kumpanija, cioe' David Aquilina, Archibald Bethel, Laragh Cassar, Pier Luca Demajo u Peter Hili (flimkien, id-**"Diretturi"**) jaċċettaw ir-responsabbiltà għall-informazzjoni li tinsab f'dan il-Memorandum ta' Spjegazzjoni. Sa fejn jafu u jemmnu d-Diretturi, li ħadu l-prekawzjonijiet kollha biex

jiżguraw li jkun il-każ, l-informazzjoni li tinsab f’ dan id-dokument tikkonforma mal-fatti u ma thalli xejn barra li jista’ jaffettwa l-importanza ta’ tali informazzjoni.

1. Sfond u raġunijiet għall-applikazzjoni għat-tmiem tal-elenkar tal-Ishma

Hili Ventures Limited, kumpanija privata b’responsabbiltà limitata taht il-ligijiet ta’ Malta bin-numru ta’ reġistrazzjoni tal-kumpanija C 57902 (“**Hili Ventures**”), azzjonist eżistenti tal-Kumpanija, nediet offerta ta’ akkwizzizzjoni pubblika volontarja kundizzjonali (l-“**Offerta**”) skont dokument ta’ offerta datat il-21 ta’ Frar 2025 (id-“**Dokument tal-Offerta**”).

B’riżultat tal-Offerta, Hili Ventures żiedet is-sehem tagħha fil-Kumpanija għal 87.74%. Sussegwentement, wara aktar akkwizzizzjonijiet ta’ ishma fuq is-suq sekondarju, Hili Ventures żiedet is-sehem tagħha fil-Kumpanija għal 97.19%.

Fid-dawl taż-żieda riżultanti tas-sehem ta’ Hili Ventures fil-Kumpanija, issa qed jiġi propost li l-Kumpanija tapplika mal-MFSA għat-tmiem tal-elenkar tal-Ishma fil-Lista Uffiċjali tal-MSE abbażi tal-fatt li l-kundizzjonijiet għall-elenkar kontinwu ma jistgħux jibqgħu jiġu sodisfatti.

Id-Diretturi huma tal-fehma li l-flotazzjoni libera limitata, b’madwar 97.19% tal-ishma tal-Kumpanija attwalment miżmuma minn azzjonist wieħed, tillimita sostanzjalment l-attività ta’ negozjar fl-Ishma. B’riżultat ta’ dan, is-suq pubbliku mhuwix kapaċi jipprovdi wieħed mill-benefiċċji prinċipali ta’ elenkar, cioe’ l-likwidità. F’dawn iċ-ċirkostanzi, l-elenkar tat-titoli tal-Kumpanija fl-MSE effettivament joħloq l-impressjoni ta’ likwidita’ mingħajr ma huwa kapaċi jipprovdiha fil-prattika.

Fid-dawl ta’ dak imsemmi hawn fuq, id-Diretturi huma tal-fehma li la l-Azzjonisti u lanqas il-Kumpanija mhuma attwalment kapaċi jirrealizzaw il-benefiċċji tipikament assoċjati maż-żamma ta’ porzjon tal-ishma tal-Kumpanija elenkati fil-Lista Uffiċjali tal-MSE.

Fil-kuntest ta’ tneħħija mill-elenkar, Hili Ventures hadet l-impenn li takkwista l-Ishma li fadal mingħand l-azzjonisti minoritarji bi prezz ta’ €0.27 għal kull Sehem, li jiddependi fuq is-sottomissjoni mill-Kumpanija ta’ applikazzjoni għat-tmiem tal-elenkar tat-titoli tagħha mal-MFSA u b’hekk il-bidu tal-proċess ta’ tneħħija mill-elenkar skont is-CMR, speċifikament is-CMR 1.19 – 1.23.

2. Ir-riżoluzzjoni proposta

Fis-16 ta' Marzu 2026, il-Bord tad-Diretturi tal-Kumpanija ltaqa' u, inter alia, iddeċieda li jsejjaħ l-EGM sabiex l-Azzjonisti jikkunsidraw, u jekk jitqies xieraq, japprovaw ir-riżoluzzjoni li ġejja (ir-**"Riżoluzzjoni"**):

*"Li, f'konformità mal-proċeduri speċifikati fir-Regoli tas-Swieq Kapitali 1.19.2 u 1.19.3, fir-rigward tal-Appendiċi 1.1. għall-Kapitolu 1 tar-Regoli tas-Swieq Kapitali u r-Regoli tas-Swieq Kapitali 1.19 – 1.23, u b'effett mid-data u l-ħin li jistgħu jiġu ddeterminati flimkien mal-Awtorità għas-Servizzi Finanzjarji ta' Malta u l-Borża ta' Malta, it-tmiem tal-elenkar tal-ishma kollha tal-Kumpanija (l-**"Ishma"**) mil-Lista Uffiċjali tal-Borża ta' Malta huwa approvat b'dan u li l-Bord tad-Diretturi tal-Kumpanija huwa awtorizzat u jingħata s-setgħa li jieħu l-passi neċessarji kollha, inkluża l-eżekuzzjoni tad-dokumenti neċessarji kollha, biex jipproċessa t-tmiem tal-elenkar tal-Ishma mil-Lista Uffiċjali tal-Borża ta' Malta."*

L-approvazzjoni tar-Riżoluzzjoni fl-EGM tippermetti lill-Kumpanija tipproċedi bis-sottomissjoni ta' applikazzjoni lill-MFSA għat-tmiem tal-elenkar tal-Ishma mil-Lista Uffiċjali tal-MSE.

3. Impenn ta' Hili Ventures li tixtri l-Ishma

Kif sottolinjat fit-Taqsima 1 hawn fuq, fit-23 ta' Marzu 2026, Hili Ventures kellha sehem ta' 97.19% fil-Kumpanija. Hili Ventures ipprovdiet lill-Bord tad-Diretturi impenn irrevokabbli li tikseb l-Ishma li jibqgħu bi prezz ta' €0.27 għal kull Sehem. It-termini ta' din l-offerta għandhom jibqgħu validi sakemm l-applikazzjoni għat-tmiem tal-elenkar tat-titoli tal-Kumpanija tidhol fis-seħħ, kif iddeterminat mill-MFSA u l-MSE. Wara, Hili Ventures tirriżerva d-dritt li tirrevedi t-termini tal-offerta, inkluż il-prezz għal kull Sehem.

4. Rakkomandazzjoni tad-Diretturi

Wara li wettaq il-kunsiderazzjonijiet neċessarji, il-Bord tad-Diretturi huwa tal-fehma li r-Riżoluzzjoni hija fl-aħjar interessi tal-Kumpanija u tal-Azzjonisti tagħha b'mod sħiħ. Għalhekk, il-Bord tad-Diretturi jirrakkomanda li l-Azzjonisti jivvutaw favur ir-Riżoluzzjoni fl-EGM li jmiss.

Dan il-Memorandum ta' Spjegazzjoni ġie approvat u maħruġ minn Hili Properties p.l.c., kumpanija pubblika b'responsabbiltà limitata bin-numru ta' reġistrazzjoni ta' Malta C 57954 u b'uffiċċju rreġistrat fl-indirizz Nineteen Twenty-Three, Triq Valletta, Marsa MRS 3000, Malta fit-23 ta' Marzu 2026.

ANNEX/APPENDIĊI

Documents Available for Inspection

The following documents or certified copies thereof are available for inspection at the Company's registered office at Nineteen Twenty Three, Valletta Road, Marsa, MRS 3000, Malta for at least fourteen days from the date of publication hereof.

- the memorandum and articles of association of the Company; and
- the last annual financial report and half-yearly financial report of the Company.

Dokumenti Disponibbli għall-Ispezzjoni

Id-dokumenti elenkati hawn taħt jew kopji ċertifikati tagħhom ser ikunu disponibbli għall-ispezzjoni fl-uffiċċju reġistrat tal-Kumpanija: Nineteen Twenty Three, Triq il-Belt Valletta, Marsa, MRS 3000, Malta għal mill-inqas erbatax-il ġurnata mid-data tal-pubblikazzjoni ta' dan il-memorandum:

- il-memorandum u l-artikoli t' assoċjazzjoni tal-Kumpanija; u
- l-aħħar rapport finanzjarju annwali u r-rapport finanzjarju ta' nofs is-sena tal-Kumpanija.