



Smartcare Finance P L C
326, Mdina Road, Qormi, Malta
Co. Reg. No. C 90123
The "Company"

COMPANY ANNOUNCEMENT

The following is a company announcement issued by the Company pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

Use of Proceeds - Update

QUOTE

Reference is made to the prospectus, dated 19th February 2021 (hereinafter the "**Prospectus**") issued by the Company for EUR13million 4.65% Secured 2031 Bonds.

Specific reference is made to Section 5.1 of the Securities Note forming part of the Prospectus, which contemplates that *"an amount of circa €3,600,000 of the Bond Issue net proceeds will be used for the purpose of financing the acquisition of property in Hamrun and development thereof by Smartcare Developments Ltd into apartments and garages"*.

It is to be noted that €1.4 million of the €3.6 million have been allocated for the acquisition of the aforementioned property in Hamrun, whereas €2.1 million was earmarked for the development to be carried out on the said property by Smartcare Developments Ltd.

The Company wishes to update its stakeholders and the public generally, that the Company has concluded negotiations with a third party developer for the sale of a divided share of the Hamrun property and the development thereof. In view of the favorable negotiations secured by the Company, the intended €2.1 million earmarked for the development of the Hamrun site would not be required by Smartcare Developments Limited.

It is to be noted that the net return will remain unaltered from the projections published in the Prospectus and furthermore, the Company intends on utilizing the balance remaining from the €3,600,000 for other property acquisitions and development within the remit of the Group's objectives.

UNQUOTE

A handwritten signature in blue ink, appearing to be "K Cachia".

Dr Katia Cachia
Company Secretary
14th October 2021