

COMPANY ANNOUNCEMENT

Reference: GLR25 - 2021

The following is a company announcement issued by Gillieru Investments plc (the “Company”) in pursuant to Rule 4.11.03 and 4.11.12 of the Prospects MTF Rules:

The Board of Directors note that the profit before tax reported in the financial statements of Gillieru Investments plc for the year ended 31 December 2020 ('2020 AFS') amounted to €5k, which represents a material variance of €591k from the 2020 Issuer projections that were published in Section 12.2.1 of the Company Admission Document issued on 21 November 2018 ('the Projections'), given that the projections had forecasted a profit before tax of €596k. The projected profit was based following eight years of progressive growth in tourist arrivals and improved year-round performance, and also on indications that showed that such a trend was set to continue during subsequent years.

The difference between the 2020 AFS and the Projections is mainly attributable to a material variance between revenues of c. €647k, given that actual revenue for FY2020 was €247k (Projections: €894k). The Projections were based on the expectation that dividends would flow up from the subsidiary companies – Gillieru Holdings Limited and Gillieru Catering Company Limited – whereby the said companies own and operate the Gillieru Harbour Hotel and Restaurant, located in St. Paul's Bay, Malta.

Due to the COVID-19 pandemic, the hospitality industry in Malta was significantly disrupted particularly due to a reduction in tourism levels, thereby inherently impacting the performance of the Gillieru Harbour Hotel and Gillieru Restaurant. In an effort to curb the pandemic, the government introduced various measures including the closure of the Gillieru Harbour Hotel and Gillieru Restaurant in the second quarter of 2020, and social distancing measures which had to be adhered to whilst operating the hotel and restaurant. These measures resulted in an adverse performance of Gillieru Catering Company Limited, and therefore dividends could not be distributed.

Notwithstanding the disruption created by the outbreak of the COVID-19 pandemic, and the impact it shall have on the foreseeable future, the Company is confident that the Group shall continue its operations in line with its current business plan and, consequently, continue increasing its revenue in the forthcoming years.



Karl Cremona
Company Secretary

15 April 2021