



COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Pendergardens Developments plc (the "Company") pursuant to the Listing Rules issued by the Malta Financial Services Authority:

Quote:

The Company announces that at the Extraordinary General Meeting of the Members of the Company held on the 31st July 2014, it was unanimously resolved to:

- a) Increase the authorised share capital of the Company to nine million, one hundred thousand euro (€9,100,000) divided into nine million, one hundred thousand ordinary shares of one euro (€1.00) each;
- b) Increase the issued share capital of the Company by five million seven hundred seventy nine thousand euro (€5,779,000) divided into five million seven hundred seventy nine thousand ordinary shares of one euro (€1.00) each, thus for an aggregate issued share capital of nine million, seventy nine thousand euro (€9,079,000) divided into nine million, seventy nine thousand ordinary shares of one euro (€1.00) each;
- c) Authorise the Board of Directors of the Company to allot five million seven hundred seventy nine thousand (5,779,000) ordinary shares of one euro (€1.00) each to Pender Ville Limited in respect of:
 - i. An amount of €4,318,000 representing the part settlement of the consideration (the Non-Cash Component) for the transfer of land at the Pender Place site, which has been acquired by the Company from Pender Ville Limited by virtue of a public deed dated 2nd June 2014; and

- ii. An amount of €1,461,000 representing the capitalisation of a shareholder's loan due by the Company to Pender Ville Limited.

- d) Update the Memorandum and Articles of Association of the Company to reflect the foregoing amendments and substitute the current version of the Memorandum and Articles of Association of the Company with an updated version.

The said resolution was pre-approved by the Listing Authority by virtue of a letter dated 21st July 2014.

Accordingly, in terms of the authority conferred upon them the Directors issued and allotted on the 31st July 2014 five million seven hundred seventy nine thousand (5,779,000) ordinary shares of one euro (€1.00) to Pender Ville Limited for the consideration specified above.

Unquote:

By order of the Board



Avv. Massimo Vella

Company Secretary

Date: 18th August 2014