



COMPANY ANNOUNCEMENT

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

Quote

*Following the enactment of Act XIII of 2015 [An Act to implement Budget measures for the financial year 2015 and other administrative measures] the Board of Directors of the Company has been advised that it is estimated that the new fiscal regime regulating the sale of immovable property will entail an estimated reduction of between € 2.5 million to € 3.0 million from the surplus funds available for distribution to the shareholders **after** the redemption of the bonds issued in pursuance of the Prospectus dated 5th May 2014.*

It is not expected that this reduction in surplus funds will affect the Company's ability to meet its bond obligations as set out in the Prospectus.

Unquote



Avv. Massimo Vella
Company Secretary

8th May 2015