



COMPANY ANNOUNCEMENT

The following is a company announcement issued by AX Investments p.l.c. ('the Company') pursuant to the Listing Rules issued by the Listing Authority:

Business Update - COVID-19

The Board of Directors of the Company and its guarantor, AX Holdings Limited (C3595), have been carefully assessing and monitoring the potential impact of the COVID-19 pandemic on the businesses forming the AX Group.

The business sectors in which the AX Group operates have been effected to different degrees by the pandemic. The Hotel sector has borne the main brunt of the restrictions taken by the authorities to protect people and contain the pandemic. This segment has historically been the largest of the AX Group's businesses and thus the suspension of international travel has and will continue to have a material impact on this division. Until today, the Construction sector continues to operate and while some restrictions have impacted efficiency, these constraints are not deemed material. The care sector has also been impacted by the measures but the commercial effects are overall positive. The development sector has experienced pressure on income from rental of residential and commercial property which are not deemed material but the dividend stream from its investment in Valletta Cruise Port has been significantly impacted.

The Board has noted that appropriate measures have been implemented to mitigate these impacts, including strict cost management, changes to work patterns and a reduction in working times, a freeze on sub-contracted labour as well as the delay of certain capital expenditure projects.

Based on the forecasts prepared by the Group's Management, the Board expects the Company to meet its payment obligations to bondholders, as announced to the market in its recent company announcement. The Company has also set up a help line for its bondholders who may have queries. The contact number is 7901 0592.

The measures being taken by the Groups' Management are intended to preserve the financial strength of the Group and to protect its employees and all its stakeholders. The Board of Directors are carefully monitoring the situation and will make any further announcements should they be warranted at any point in time.

Dr. Ian Vella Galea
Company Secretary
14th April 2020

Company Announcement AXI207

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