



Property Valuation

Ref: C00585.01_17(D)_2022

Commercial premises in

Triq Salvu Psaila/Triq Borg/Triq il-Fniek

B'Kara

Malta

17th May 2022



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17th May 2022

Our Ref: C00585.01_17(D)_2022

Valuation: **Commercial premises Triq Salvu Psaila / Triq Borg / Triq il-Fniek,
Birkirkara, MALTA**

In arriving at the present valuation, I have had regard for the matters described in the Valuation Report attached hereto, following inspection by myself or my appointed delegate.

The property is freehold and occupied by a Tenant, so that, should it be sold, any purchaser would acquire free and unencumbered possession thereof, subject to the conditions of the lease agreement.

On the basis of the characteristics and conditions described in the Valuation Report, as well as current market trends, I estimate the value of the freehold interest in its current state to be **€8,000,000** (*eight million Euro*).

A handwritten signature in black ink, appearing to read 'David Felice', written over a horizontal dotted line.

David Felice
o.b.o. AP Valletta Ltd.

Encl: Valuation Report



17th May 2022

Our Ref: C00585.01_17(D)_2022

Valuation Report

- 1. Client** Malta Properties Company plc.
- 2. Object of Valuation** Commercial premises in *Triq Salvu Psaila / Triq Borg / Triq il-Fniek*, Birkirkara, Malta.
- 3. Proprietor** BKE Property Company Ltd.
- 4. Compliance with Valuation Standards**

The valuation has been prepared in accordance with the *Kamra tal-Periti* Valuation Standards for Accredited Valuers (2012), which are largely based on the TEGOVA Valuation Standards (2009). Any reference hereafter to the “Valuation Standards” is to be inferred as a reference to the afore-mentioned Standards published by the *Kamra tal-Periti*. Such standards are considered to be an adequate replacement for the standards and guidelines required to be adopted by the MFSA namely the valuation standards of the Royal Institute of Chartered Surveyors (RICS).
- 5. Capacity of Valuer** The undersigned has taken on this assignment as an External Valuer as defined in the Valuation Standards.
- 6. Special Conditions**

This report is confidential to the Client named above for the specific purpose described below. It may be disclosed to other professional advisors assisting the Client in respect of that purpose, but the Client shall not disclose the report to any other person. Neither the whole nor any part of this report, or reference to it, may be included in any published documents, circular or statement without the prior written consent of the undersigned.

The undersigned is responsible only to the Client and any other person making use of this valuation shall do so solely at his or her risk.

The title of ownership has not been investigated and such investigation was not within the scope of this valuation, nor does it fall within the competence of the undersigned. The considerations regarding title are as reported to the undersigned by the Client or the Client’s Customer, and

any comments regarding title are being made in order to make the Client aware of any potential issues that could affect the value or the marketability of the property. The undersigned accepts no liability in this regard.

The property value stated in the Valuation Certificate refers to the immovable things – as defined in articles 308 through 311 of Chapter 16 of the Laws of Malta – of the object of the valuation, with the exclusion of telecommunications equipment and installations within or attached to the property, even if they are so fixed thereto as to render them immovable according to law.

7. Basis of Valuation

This report leads to an estimation of the "Market Value" of the property, as defined in the European Council Directive 2006/48/EC, that is, *"the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*

Without prejudice to the foregoing, the price stated in this valuation is deemed to be the best price at which the sale of an interest in the property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, subject to the following premises:

- a. a willing seller;
- b. prior to the date of valuation there had been a reasonable period for the proper marketing of the interest, for the negotiation and agreement of the price and the terms of sale, and for the completion of the sale. In this particular case, and due to the high-end type of property being considered, this reasonable period could entail a number of years, due to the restricted market for this type of property;
- c. the state of the market, level of property values and other relevant circumstances were, on the date of exchange of contracts, the same as the date of valuation;
- d. the absence of any additional bid by a purchaser with a special interest in the acquisition of the interest;



- e. a good title can be shown and the property is not subject to any unusual or onerous restrictions, encumbrances or outgoing;
- f. the property is unaffected by any Statutory Notice and neither the property nor its use, actual or intended, gives rise to a contravention of any Statutory Requirements;
- g. the property is free from latent defects and no deleterious materials have been used in its construction;
- h. only a visual inspection of the property was carried out to establish the condition of repair and, unless otherwise specifically stated herein, and in that event only to the extent so specified, no parts of the property which were covered, unexposed or otherwise inaccessible to visual inspection have been inspected, and no tests have been made as to whether or not such parts are free of defects, so that the valuation assumes that a structural survey would reveal no major defects involving substantial expenditure.

8. Date of Inspection	The property was inspected on the 11 th November 2020 in the presence of a representative of the Client. The property was inspected again on the 1 st April 2022, however only an external inspection was undertaken.
9. Inspected by	The latest inspection was carried out by Simone Vella Lenicker, for and on behalf of AP Valletta Ltd, as appointed delegates of the undersigned.
10. Purpose of Valuation	This valuation has been prepared in response to a request by the Client to assess the market value of the property for the purpose of a bond issue.
11. Description	
<i>Property Type:</i>	The property consists of a plot of land with an area of approximately 3,611m ² which houses a number of buildings which until recently were used as a retail outlet, offices and technical areas in connection with telecommunications equipment.
<i>Construction Type:</i>	The buildings comprising the property are considered to be constructed using typical load bearing masonry walls, with reinforced concrete slabs supported on masonry walls as well as concrete block walls.



- 12. Tenure** The property is freehold, as indicated in the copy of the title deed provided by the Proprietor (refer to Annex 7).
- 13. Occupation** At the time of inspection, the property was leased to a Tenant – the lease agreement is enclosed at Annex 6. The agreement is for definite period of 6 years which commenced on the 1st January 2015. The Client has informed that the lease agreement was extended by one year up to the 31st December 2021. The Client also informed that the agreement was renewed, and that the tenant is expected to vacate the property by not later than the 31st July 2022, following which it is expected that the Tenant will vacate the property in view of the fact that the Client has entered into a Promise of Sale Agreement with third parties (refer to Annex 7). For the purposes of this valuation it has been assumed that the tenant will vacate the premises by the 31st July 2022.
- 14. Age** Judging by the methods and style of construction, the state of the property and the date of issue of planning permits, the main central block is over 50 years old with the other blocks constructed in the last 25 years.
- 15. Location**
- Aspect:* The property is located in an area of mixed use with commercial development on *Triq Salvu Psaila* and residential uses on *Triq il-Fniek*. *Triq Salvu Psaila* is a busy thoroughfare and houses several commercial outlets (retail and offices).
- Surroundings:* Properties in *Triq il-Fniek* in the immediate vicinity of the property under report generally consist of terraced houses and apartment blocks. To the immediate West of the property is a communications exchange, owned by the Proprietor and currently leased to a third party. Properties in the vicinity of the one under review, on the adjacent blocks along *Triq Salvu Psaila*, comprise a school and terraced houses. Properties on the opposite side of *Triq Salvu Psaila* include commercial developments and residences.
- Amenities:* The property lies within a reasonable walking distance to most common amenities such as shops and public transport routes.
- 16. Common Areas** The property does not share any facilities with third parties. The party walls are assumed co-owned in equal parts with the owners of the adjacent properties.

17. Local Authority

B'Kara Local Council.

18. Accommodation

A land survey of the property under report was not carried out and such survey was not within the scope of this valuation. The areas indicated below were measured using the Code of Measuring Practice in the Valuation Standards. The areas indicated below are indicative only and were calculated from the plans presented by the Client (enclosed in Annex 4). The areas indicated below represent the Gross External Areas for the blocks situated within the site.

Floor	Space use	Area (m ²)
West Block	Office/technical areas	≈ 853
	Circulation space	≈ 520
	Gross External Area, GEA	≈ 1,373
Central Block	Office/technical areas	≈ 3,100
	Circulation space	≈ 242
	Gross External Area, GEA	≈ 3,342

19. The Site

Boundaries:

Site boundaries of the property are clearly defined by party walls all round, with three parts being defined by frontages onto public roads (*Triq il-Fniek*, *Triq Borg* and *Triq Salvu Psaila*).

Physical Characteristics:

The site is situated on slightly sloping ground with no known unusual characteristics. A ground investigation was not carried out, and no details were provided by the Client as to any such investigation carried out. This valuation therefore assumes that any technical investigations would not reveal any ground conditions that would have a significant impact on the value of the property, including but not limited to fissures, the presence of clay, and ground contamination.

The site has a frontage of approximately 50.6m on *Triq il-Fniek*, 64.4m on *Triq Borg* and 52.4m on *Triq Salvu Psaila*. The total area of the site in question is approximately 3,611m².

Easements:

The client has informed that the property is subject to the following burdens and rights: the property is burdened by an Enemalta electrical cable, which is in the process of being removed. No signs of any other easements were observed. The Client has no knowledge of the existence of any additional easements.

Hypothecs – Privileges: As informed by the Client the property is not subject to any general hypothecs registered on the properties of the Proprietor and there are no special hypothecs and / or special privileges burdening the property under review.

20. Roads *Triq il-Fniek, Triq Borg and Triq Salvu Psaila* are made up and surfaced with tar macadam, and are in a good condition. Adjacent roads are also made up and surfaced. The street and adjoining access roads have street lighting installed.

21. Planning Considerations The property falls under the requirements of the Central Malta Local Plan (CMLP) published by the Malta Environment and Planning Authority (MEPA), which has now been succeeded by the Planning Authority (established in 2016). The area within which the property is situated is zoned as a Residential Area under Policy CG07, which permits a number of uses (refer to Annex 4).

The allowable building height established by the Local Plan is of three floors, as further defined in the Development Control Design Policy, Guidance and Standards 2015 (DC15). The portion of the property facing onto *Triq Salvu Psaila* is zoned as a Commercial area and has an allowable building height established by the Local Plan of three floors plus semi-basement, also as further defined in DC15. Although the site falls within an area zoned as a Residential Area, its commercial use has been established for a number of years, as outlined below.

The following applications have been submitted to the Authority since 1990 for the site under review. Since the site in question was originally combined with the adjacent site (Property Reference 17C) which has now been redeveloped to house a new communications exchange, many of the applications below also include the area occupied by the adjacent property:

- **PA/01308/22:** Proposed demolition of existing building and excavation of 2 basement levels as per proposed plan (Application being processed)
- **PA/02073/22:** Proposed demolition of existing structures, excavation of 2 levels for basement garages and proposed construction of 2 levels of 174 basement garages (1 of which is a store), 11 retail shops (Class 4B) and 14 maisonettes/apartments at ground

floor level, 96 apartments from first to third floor level and 17 penthouses with pools at recessed fourth floor level. Proposal also includes signage for retail shops (Application being processed)

- **PC/00079/21:** Proposed changes to building alignment (Application being processed)
- **PA/03183/15:** Removal of existing signage; proposed new cladding and signage (Approved, October 2015)
- **PA/03560/07:** Amended application to PA 4717/2006 (increase of signs and internal alterations) (Approved, June 2008)
- **PA/04717/06:** To sanction changes to approved shop layout and to sanction shop sign (Approved, March 2007)
- **PA/04903/04:** Introduction of emergency exit staircase to existing building and opening of windows on façade (Approved, November 2004)
- **PA/04404/03:** To fix non illuminated sign over a door on façade (Approved, September 2003)
- **PA/00403/03:** To install ten (10) satellite dishes at roof level (Approved, March 2003)
- **PA/03488/02:** Extension to existing offices/telecom equipment space at B'Kara telephone exchange/Skytel building. (Minor changes to existing permit) (Approved, May 2003)
- **PA/05122/01:** To install deposit machine to façade (Approved, March 2002)
- **PA/02098/01:** Extension to existing offices/telecom equipment space (Approved, December 2001)
- **PA/05091/00:** Proposed extension at B'Kara Maltacom exchange (Approved, December 2000)
- **PA/05402/99:** Adverts on Maltacom payphones (Approved, January 2000)
- **PA/00825/98:** To display advertisements on front and side of building (Approved, April 1998)
- **PA/04038/93:** To construct enemalta sub-station (Approved, March 1994)



- **PA/01858/93:** Alterations on facade and first floor and to erect a stairwell (*Approved, September 1993*)
- **PA/01274/93:** Demolishing of existing rooms and part of boundary wall and construction of a 2-storey office block (*Approved, December 1993*)
- **PA/00325/93:** To erect timekeeper/security rooms (*Approved, June 1993*)

Copies of all the above-mentioned permits were not made available to the undersigned, and therefore compliance of the property as built with such permits could not be ascertained.

It is noted that, although the current uses of the whole of the property as offices and retail premises are not contemplated by the Local Plan Policies (site zoned primarily for residential use with only the front strip facing onto *Triq Salvu Psaila* zoned for Commercial use), such uses were in place prior to the issuance of the Local Plan. Also, the numerous planning permits listed above confirm that the current uses are tolerated.

Nonetheless it is noted that the latest submitted applications (PA/01308/22, PA/02073/22 and PC/00079/21) contemplate the development of a mixed use commercial and residential project. This valuation assumes a successful outcome of such applications.

It is to be noted that there does not appear to be any currently active enforcement action on the property.

22. Statutory considerations There do not appear to be any infringements of current sanitary regulations.

23. Components, Finishes and Condition of Repair

This is not a condition report. No surveys or inspections were made of unexposed or inaccessible parts of the structure. However, the following were noted, based on the inspection carried out in November 2020:

Generally, internal ceiling finishes consist of grid-type suspended ceilings in the offices while in other areas the ceilings are finished in cement-sand render. A mix of ceramic tiles, terrazzo tiles, vinyl and laminate flooring is used throughout. The internal walls are mostly pointed and painted or left '*fuq il-fil*'. Some of the disused areas of the building are in a poorer state of repair with signs of

water ingress and possible above-soffit leaks noted in various locations.

The commercial outlet has a higher level of finishes, due to a recent refurbishment. These include ceramic tiling for the floor, a grid-type suspended ceiling, with a gypsum flat ceiling in some areas, and plastered walls. Profiled partitions are also installed in the interior. In view of the fact that this part of the property has not been in use for some months, it is considered that the upkeep of the premises may have deteriorated since the date of last inspection.

External components such as doors and windows are a mix of glazed steel and aluminium doors and windows. External walls are in fair faced masonry (*fuq il-fil*), and a water-proofing membrane has been installed on the roof. Flaking paint and signs of rising damp were noted on the external walls of the building.

The property is being considered to include the following services and it is assumed that such services are in good working condition: water supply, first class water storage (roof tanks), connection to main sewer, three phase mains power supply, air conditioning, telephone and TV services.

24. Valuation methodology

The property has been valued on the basis of the residual value method. This method is based on the market value of the property upon completion, assuming the attainment of planning permission for a mixed use development (commercial and residential), by comparison with similar properties and the market rent-capitalisation method.

The residual land value is calculated by reducing this market value upon completion by the aggregate building costs (all-in construction costs), including associated costs, interest rate losses, and profit and risk premium.

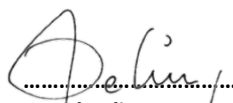
25. Impact of COVID-19

The outbreak of the Novel Coronavirus (COVID-19) was declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, and has impacted global financial markets. By virtue of Legal Notice 115 of 2020, and in accordance with Article 14 of the Public Health Act, the Superintendent of Public Health declared that, with effect from the 7 March 2020, a public health emergency exists in Malta in terms of COVID-19. Travel restrictions have been implemented by many countries, including Malta, and many market operators were made to shut down or restrict their operations in line with the relevant legal instruments.

Market activity has been impacted in many sectors. In view of the situation, Malta is currently experiencing an uncertain and unpredictable real estate market. This has led to valuation uncertainty which is not measurable, because the only inputs and metrics available for the valuation are likely to relate to the market before the event occurred and the impact of the event on prices will not be known until the market has stabilised.

This valuation is therefore reported on the basis of 'valuation uncertainty' as defined in the European Valuation Standards 2016, and in line with the *Kamra tal-Periti* Valuation Standards COVID-19 Guidance Note (May 2020). While the estimated value is considered to be the best and most appropriate estimate based on the available information, it is the opinion of the undersigned that less certainty – and a higher degree of caution – should be attached to this valuation than would normally be the case.

Given the unknown future impact that COVID-19 might have on the real estate market, it is recommended that the Client keeps the valuation of this property under frequent review.



.....
David Felice
o.b.o. AP Valletta Ltd.

Annexes:

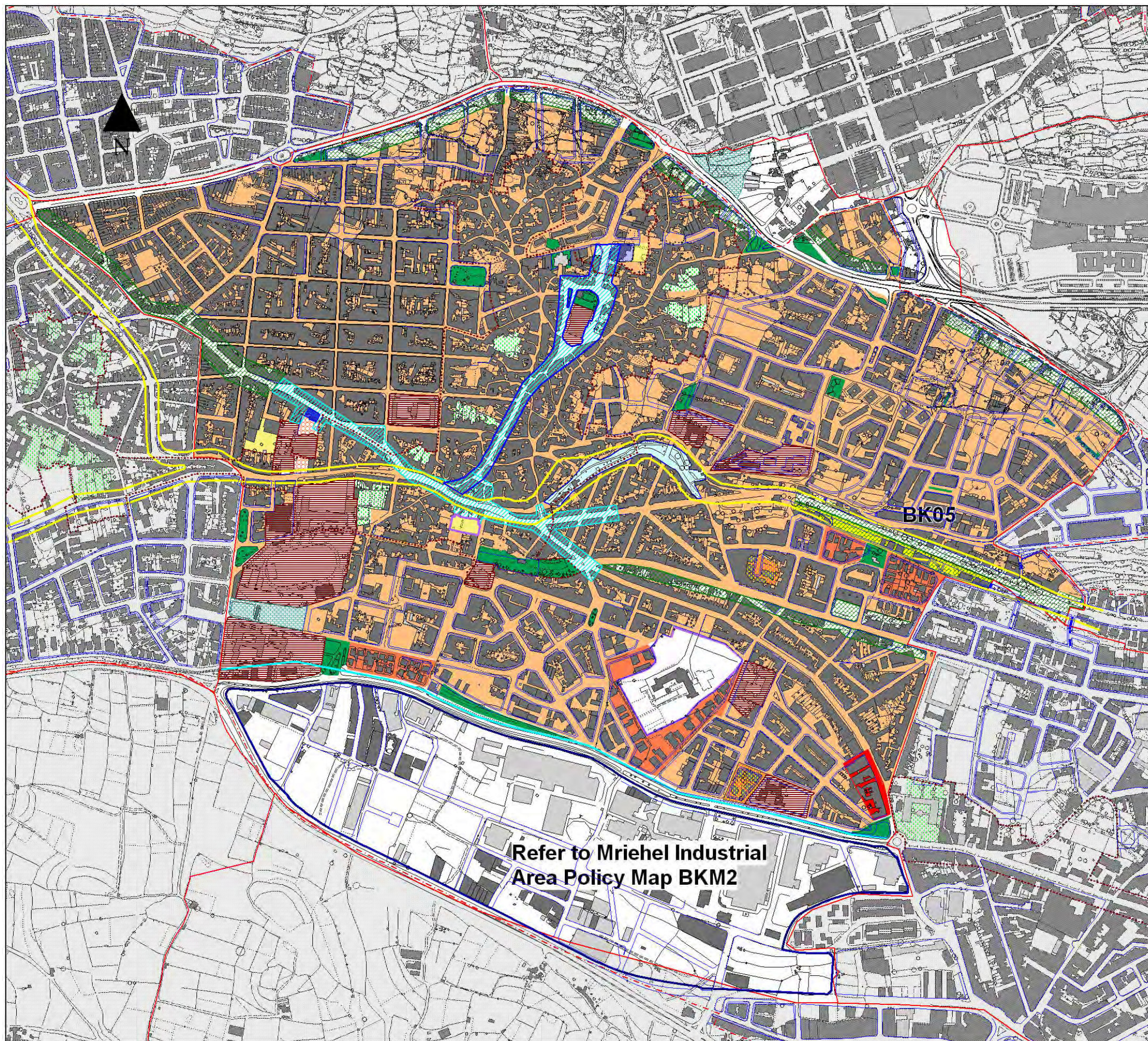
1. Site plan, 1:2500
2. Photographs
3. Extracts from the Central Malta Local Plan
4. Floor plans presented by the Client
5. Title documents
6. Lease agreement
7. Company Announcement (Promise of Sale Agreement)



project	Malta Properties Company plc. VALUATION REPORTS										
address	Commercial premises in Triq Salvu Psaila, B'Kara, MALTA										
photo sheet no.	01					date	01/04/2022				
ref no.	C 0 0 5 8 5 . 0 1 _ 1 7 D _ 2 0 2 2										



project	Malta Properties Company plc. VALUATION REPORTS										
address	Commercial premises in Triq Salvu Psaila, B'Kara, MALTA										
photo sheet no.	02					date	01/04/2022				
ref no.	C 0 0 5 8 5 . 0 1 _ 1 7 D _ 2 0 2 2										



CENTRAL MALTA LOCAL PLAN



L-Awtorita' ta' Malta Dwar l-Ambjent u l-Ippjanar

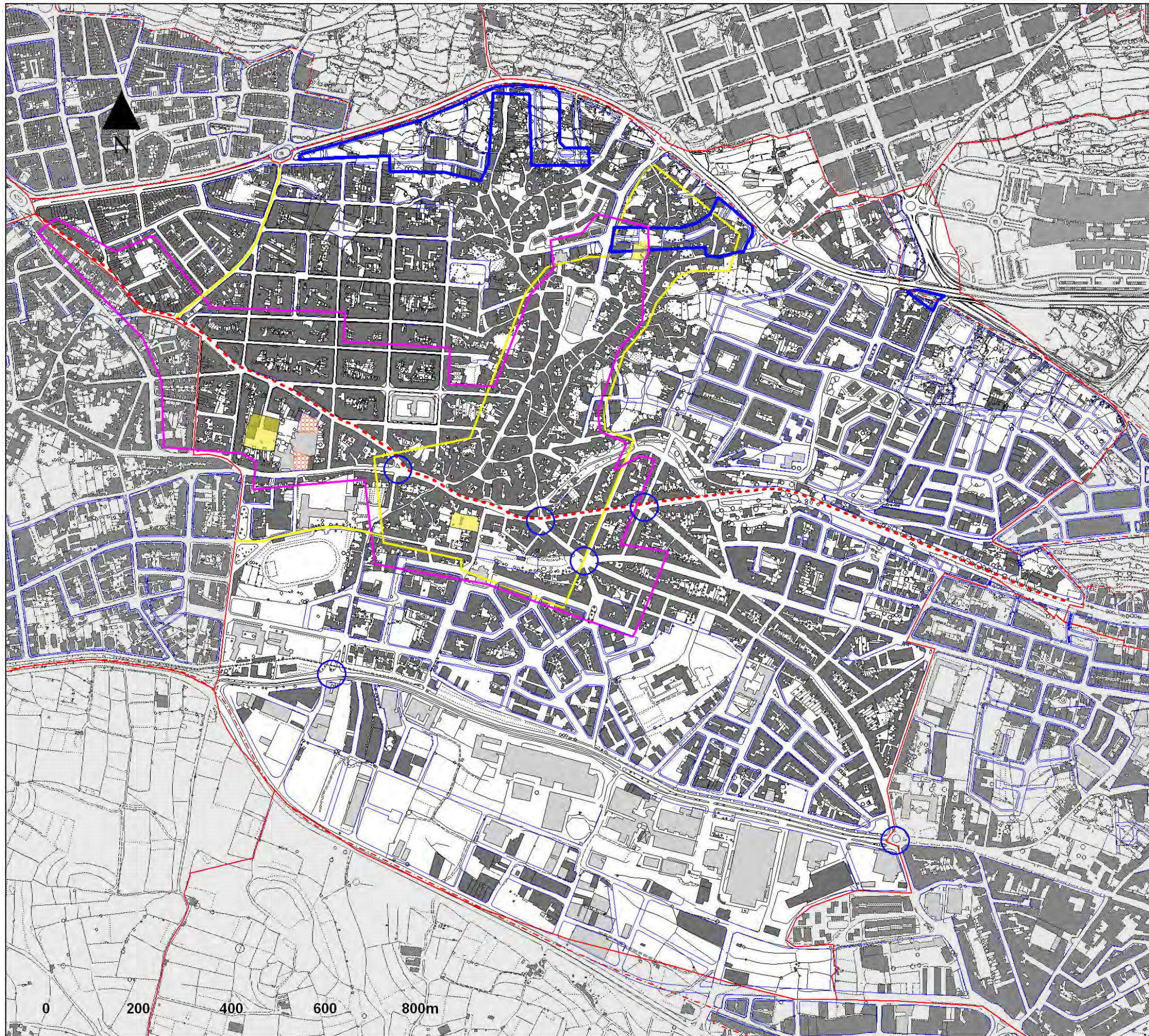
Malta Environment & Planning Authority

Key

- Local Council Boundary
- Limit to Development (TPS)
- Urban Conservation Area CG09
- Retain Existing Use with extensions to Institutions
- Residential Areas CG07
- Residential Priority Area CG08
- Old People's Home BK02
- Green Areas CG18
- Valley Watercourse - no development area CG30
- Boundary marking approximate limit of zone which is prone to flood risk CG30
- Wignacourt Aqueduct
- Primary Town Centre CG12
- Local Centres CG13
- Civic Centre BK01
- Commercial Area CG14, BK05
- Commercial Area below upper street level, and residential priority area above upper street level CG14
- Rezoning to Primary Town Centre uses BK03
- Sports CG18
- Mriehel Industrial Area BK04
- CPPS Car Parks BK06
- Car Parks
- Villa Area identified for possible rezoning to Residential Area subject to Policy CG08
- Town Centre uses at ground floor only and residential units above
- Open Space Enclaves CG09

Birkirkara Area Policy Map

Scale :	Date :	Map :
1:8000	July 2006	BKM1
INDICATIVE ONLY Not to be used for direct interpretation or for the interpretation of street alignments.		
Base Maps - 1988 Survey Sheets Copyright Mapping Unit, Malta Environment & Planning Authority		



CENTRAL MALTA LOCAL PLAN



L-Awtorita' ta' Malta Dwar l-Ambjent u l-Ippjanar

Malta Environment & Planning Authority

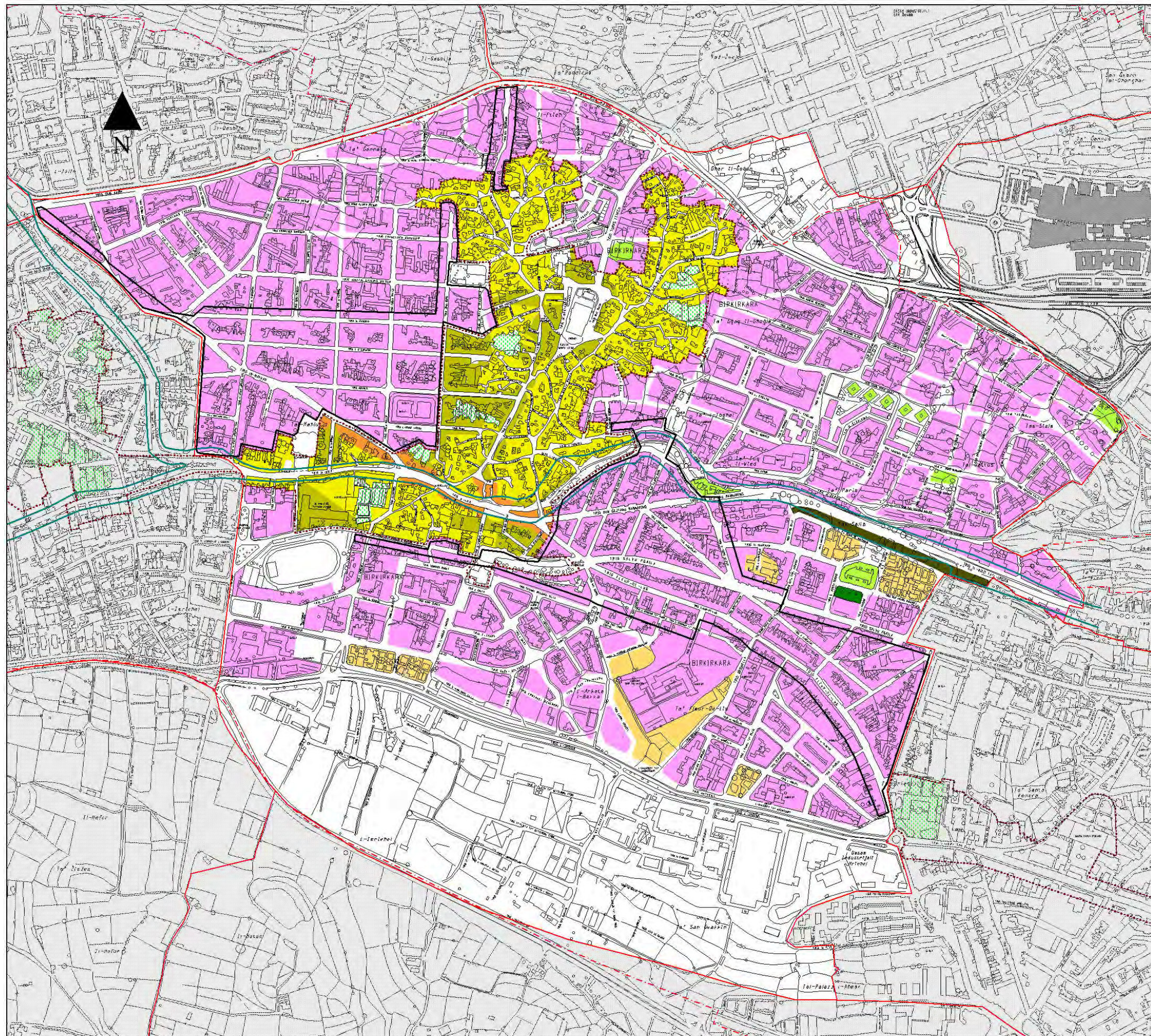
Key

- Local Council Boundary
- - - Limit to Development (TPS)
- CPPS Car Parks BK06
- Car Parks
- Controlled Parking Zone BK07
- - - Traffic Management BK08
- Traffic Calming BK09
- Review of Scheme Alignment BK11
- Junction Improvement CG39, BK10

Birkirkara Transport Policy Map

Scale :	Date :	Map :
1:8000	July 2006	BKM3
INDICATIVE ONLY Not to be used for direct interpretation or for the interpretation of street alignments.		

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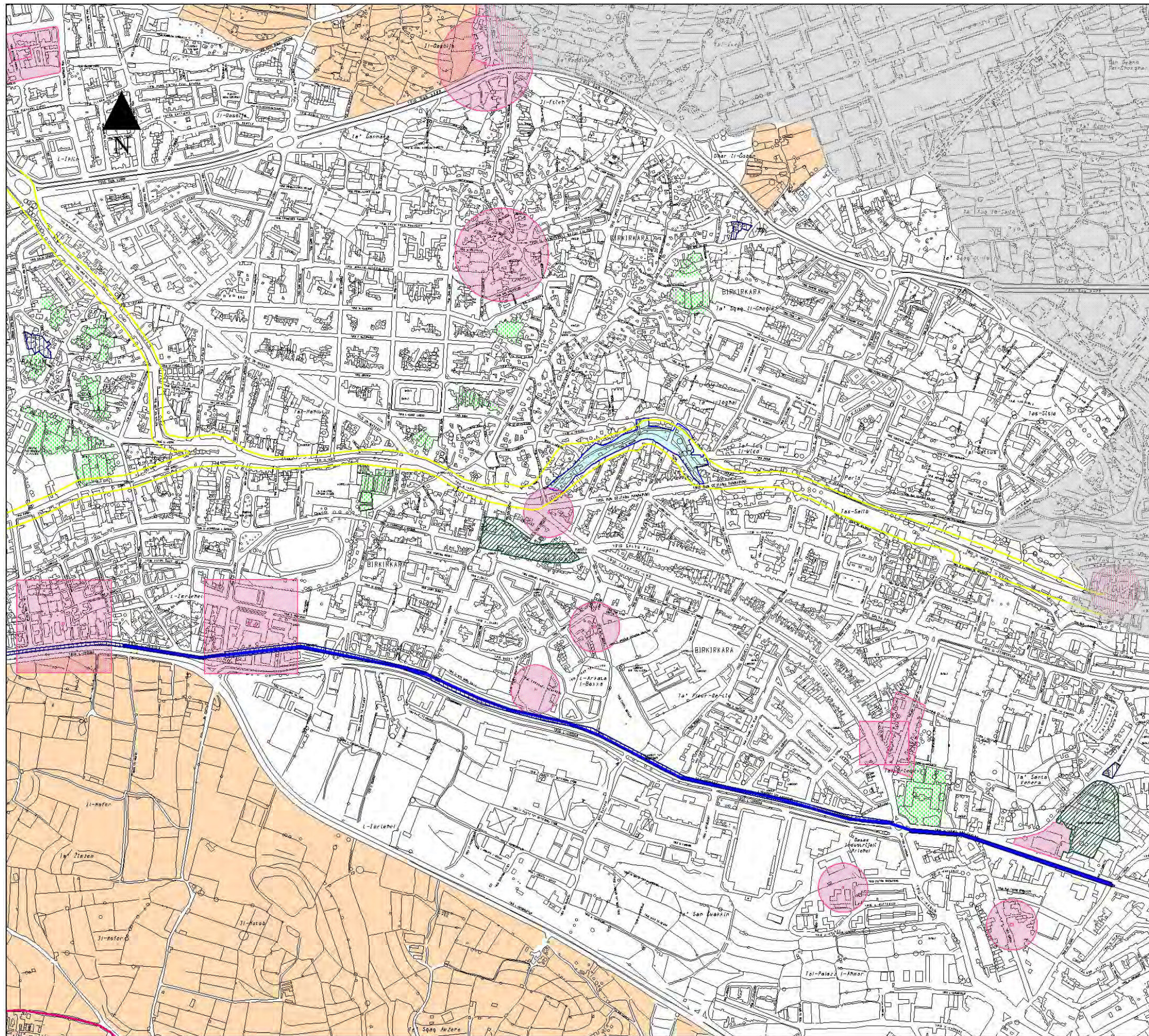
Key

- Local Council Boundary
 - - - Limit to Development (TPS)
 - Urban Conservation Area CG09
 - Open Space Enclaves CG09
- Within UCA**
(Without semi-basement)
- 2 Floors
 - 3 Floors
 - 3 Floors plus 1 Receded Floor CG06
- Outside UCA**
- 2 Floors plus semi-basement
 - 2 Floors plus semi-basement from Upper Street Level
 - 3 Floors plus semi-basement
 - No semi-basement within area enclosed by black line
 - 4 Floors without semi-basement
 - 5 Floors without semi-basement
 - Boundary marking approximate limit of zone which is prone to flood risk CG30

Birkirkara Building Height Limitations Map

Scale :	Date :	Map :
1:8000	July 2006	BKM4
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CENTRAL MALTA LOCAL PLAN



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Malta Environment & Planning Authority

Key

- Listed Archaeological Areas/Sites with buffer areas CG23
- Scheduled Areas/Sites
- Proposed Tree Preservation Order CG28
- Wignacourt Aqueducts
- Boundary marking approximate limit of zone which may be prone to flood risk CG30
- Valley Watercourse Areas - no development areas CG30
- Agricultural Areas CG24 (Awaiting Classification of Agricultural Value)
- Open Space Enclaves CG09

Areas/Sites of environmental, scientific and cultural importance may be added if scheduled or removed if descheduled by MEPA.

Birkirkara Environmental Constraints Map

Scale	Date	Map
1:8000	July 2006	BKM5
INDICATIVE ONLY Not to be used for direct interpretation or for the interpretation of street alignments.		

Base Maps - 1988 Survey Sheets
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The Local Plan designates Residential Areas (RAs) within the Urban Development Boundaries of the following settlements as indicated in the relative Area Policy Maps:

Attard, Balzan, Birkirkara, Gharghur, Hamrun, Iklin, Lija, Mosta, Naxxar, Qormi and Sta. Venera

The following is a list of acceptable land-uses (new uses, extensions to existing uses, and change of uses) within all frontages located within the RAs.

- i. A mix of Class 1 (Use Classes Order, 1994) terraced residential development as detailed in the DC 2005, Part 3, and in accordance with the specific zoning conditions indicated in the same guidance, unless otherwise stated by a policy in this Local Plan;
- ii. Class 2 (Use Classes Order, 1994) residential institutions, provided that:
 - they are of a small scale and do not create adverse impacts on the residential amenity of the area;
 - Class 2 (a) institutions are located in close proximity to a town or local centre; and,
 - Class 2 (b) nursing homes and clinics are easily accessible from the arterial and distributor road network.
- iii. Class 3 (Use Classes Order, 1994) hostels.
- iv. Class 4 (Use Classes Order, 1994) small shops provided that:
 - the small shops (of any nature) are not to exceed a total floor area of 50 sqm each, and convenience shops are not to exceed a total floor area of 75 sqm each;
 - they comply with all the provisions of paras. 1.4.16 to 1.4.18 of the Interim Retail Planning Guidelines (2003); and
 - they comply with any relevant section of the DC2005 (design, access, amenity, etc.).
- v. Supermarkets provided that they comply with all the provisions of Policy CG17.
- vi. Class 5 (Use Classes Order, 1994) offices provided that:
 - the floorspace does not exceed 75 sqm;
 - they do not unacceptably exacerbate parking problems in a residential street that already has an acute under provision of parking spaces for residents; and,
 - they comply with any relevant section of the DC 2005(design, access, amenity, etc.).
- vii. Classes 7 and 9 (Use Classes Order, 1994) non-residential institutions, swimming bath or pool, skating rink, health club, sauna, sports hall, other indoor or outdoor land based sports or recreation uses not involving motorised vehicles or firearms, and interpretation centres, provided the facility:
 - is of a small scale and does not create adverse impacts on the residential amenity of the area;
 - is located on land already occupied by buildings and will replace these buildings provided they are not worthy of retention due to their historic/architectural merit and/or their contribution to the character of the area, unless land is specifically allocated for the facility by this Local Plan; and,
 - the immediate surroundings of the site are already of a mixed use character.

viii. **Class 8 (Use Classes Order, 1994) educational facilities, provided that access and the character of the area are taken into account and are deemed adequate by MEPA to allow the safe and neighbour compatible use of such facilities.**

ix. **Class 11 (Use Classes Order, 1994) business and light industry provided that:**

- **The gross floor area of the premises does not exceed 50 sqm (including storage of materials and/or finished products);**
- **The activity conducted within the premises does not use heavy duty and/or noisy electrical/mechanical (including pneumatic) equipment, and equipment which requires a 3 phase electricity supply;**
- **The activity conducted within the premises does not entail extensive and/or prolonged use of percussion hand tools (eg. hammers, mallets etc);**
- **The activity employs less than 5 people; and**
- **The activity conducted within the premises does not inherently entail the generation of combustion, chemical or particulate by products.**

Examples of acceptable uses considered by MEPA include tailor, cobbler, lace making and computer and electronic repair. Moreover, examples of unacceptable uses include carpentry, panel beating, mechanic, mechanical plant servicing, spray painting and bakery.

Proposals to convert from existing Class 12 (Use Classes Order, 1994) general industry to Class 11 (Use Classes Order, 1994) business and light industry within designated Residential Areas shall only be considered acceptable by MEPA if all the conditions listed above are adhered to, and provided that it can be proven that the Class 12 Use (general industry) operation is a permitted one and the Class 11 Use (business and light industry) operation is actually more neighbourhood compatible than the Class 12 Use operation it intends to replace.

x. **Taxi Business or for the hire of motor vehicles as per para. 6.15 of DC2005.**

Land-uses falling outside those mentioned above will not be considered favourably within the designated RAs, unless there are overriding reasons to locate such uses within these areas.

3.3.19 Residential Areas are the predominant land use in the urban areas especially on levels above ground floor. The range of non-residential activities, especially at ground floor level, tends to be a mix of uses and includes shops and offices, mostly of a local scale and serving local need, spread throughout the predominantly residential area. Garage businesses, schools, showrooms, bars and other uses can also be found in some residential areas, but the range and scale of the mix of uses is greatly influenced by the locality itself.

3.3.20 This policy seeks to guide the future growth of Residential Areas primarily by encouraging the location of more dwelling units within them. It is not the intention of MEPA to create “dormitory towns” through a rigid zoning policy, but it is important that these areas remain primarily an attractive place to live in and remain predominantly residential in use. This policy applies to all sites within the Residential Areas, unless a specific site is controlled by other policies in this Local Plan, in which case the site-specific policy should take precedence.

3.3.21 This policy also identifies those non-residential uses that can be located within the Residential Areas because they support and enhance community amenity (such as very small shops, old people’s homes or kindergartens) and/or do not create adverse environmental impacts (such as small offices and small health facilities or visitor attractions). The policy specifically excludes land-uses that are deemed to be incompatible with Residential Areas due to their nature and scale of activity, such

as bad neighbour industrial uses. In this regard, acceptable light industrial uses in residential areas shall only include very low impact industrial activities such as electronic repair, servicing and maintenance as well as handcrafts that do not inherently require the use of electrical machinery, especially those related to textiles. Activities which require the extensive use of manual percussive tools (eg. hammers, mallets etc) are not deemed compatible with residential areas.

CG08

Residential Priority Areas

The Local Plan designates Residential Priority Areas (RPAs) within the Urban Development Boundaries of the following settlements as indicated in the relative Area Policy Maps:

Attard, Balzan, Birkirkara, Gharghur, Hamrun, Iklin, Lija, Mosta, Naxxar and Sta. Venera

The acceptable land-uses (new uses, extensions to existing uses and change of uses) within all frontages located within the RPAs are:

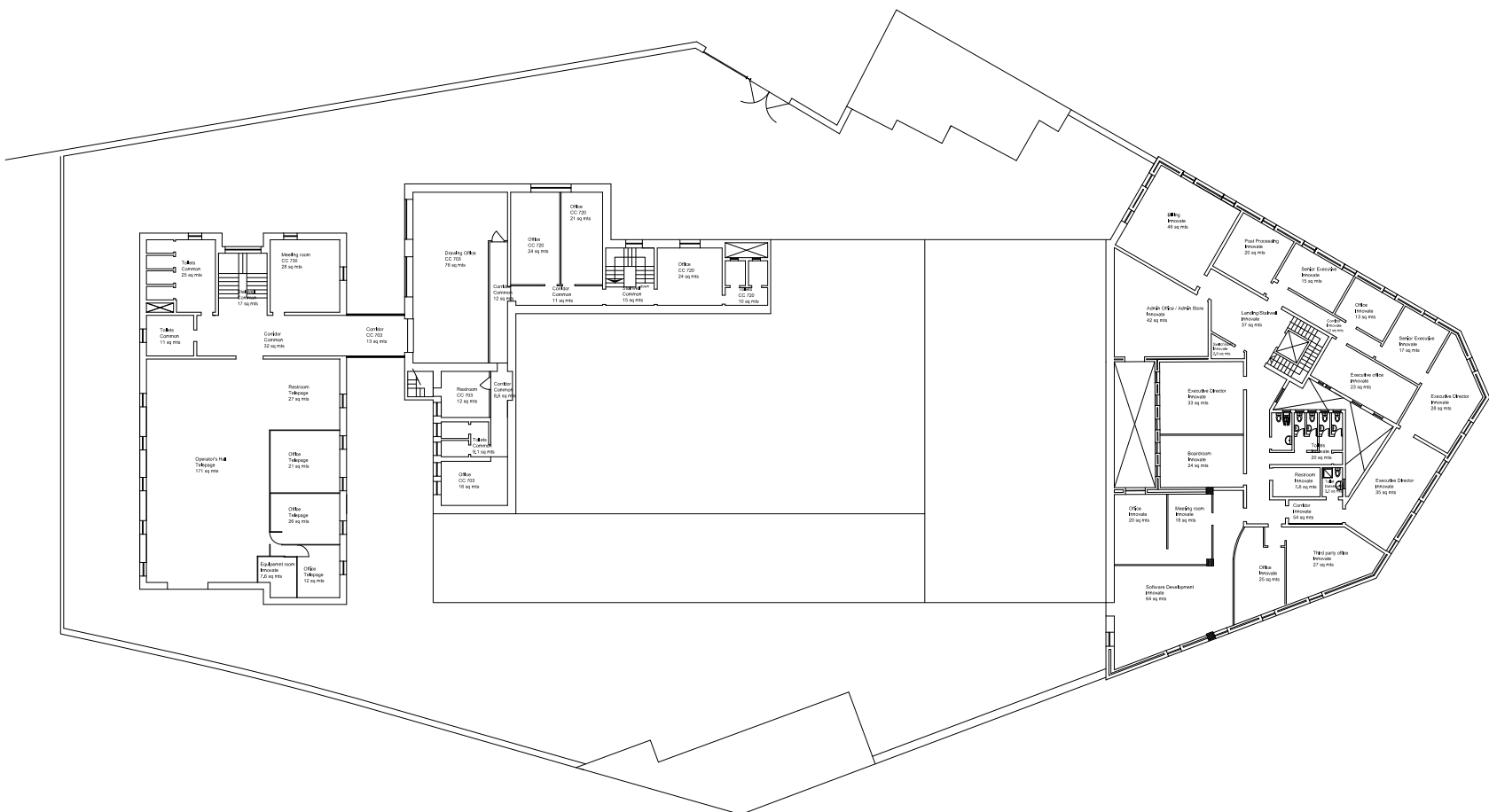
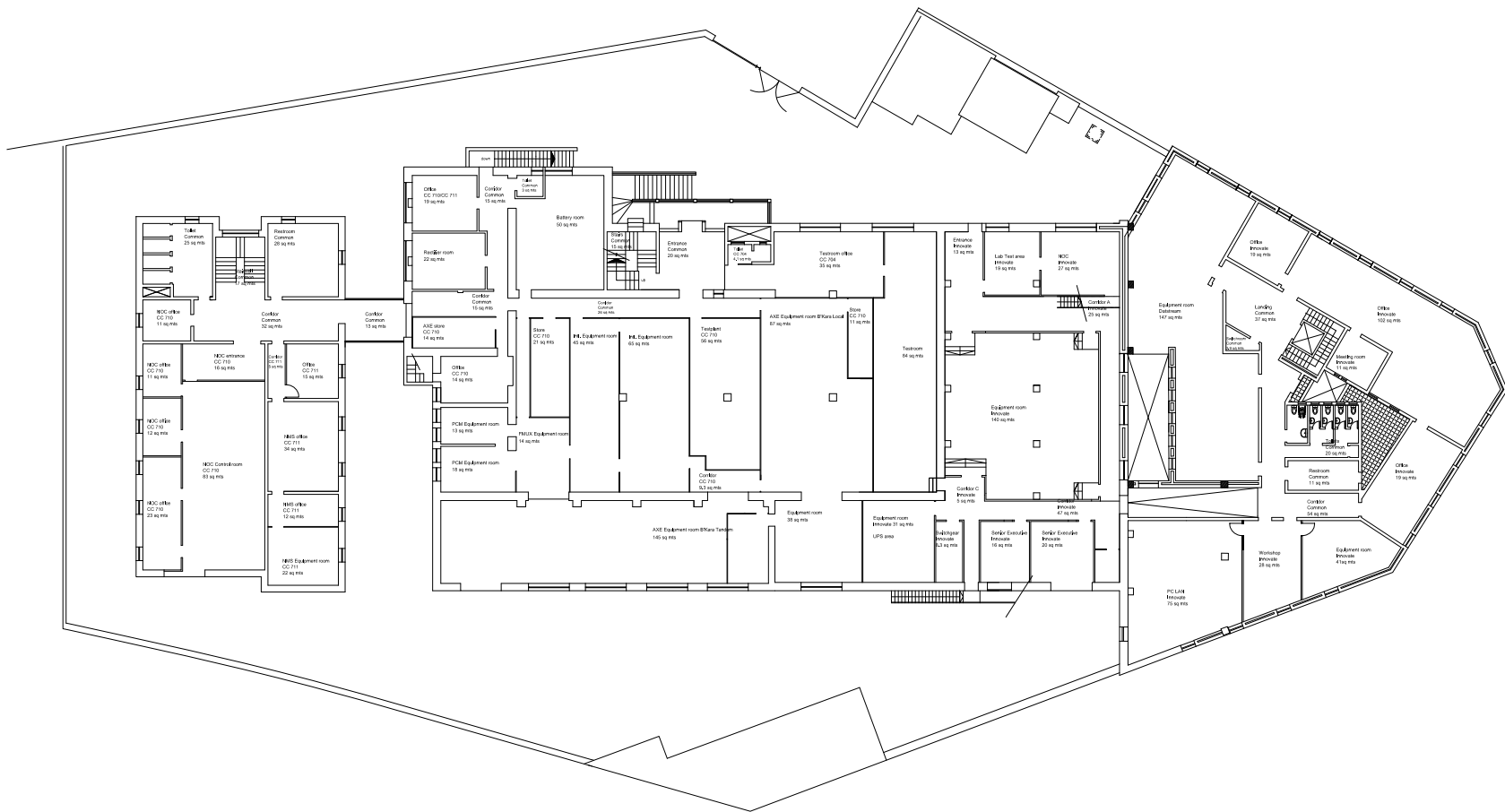
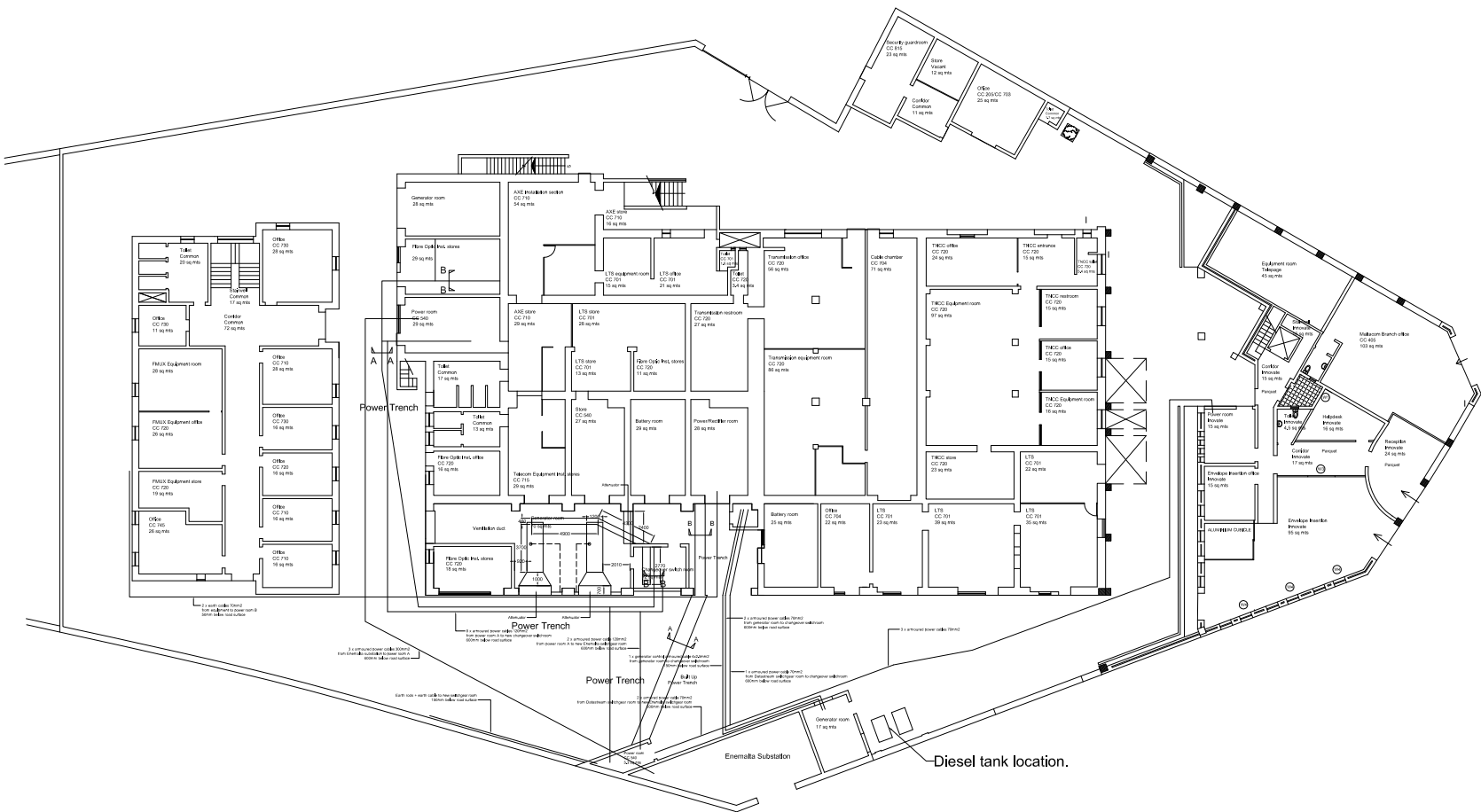
- i. A mix of Class 1 (Use Classes Order, 1994) terrace houses, maisonettes and flats on sites zoned in the relative Area Policy Maps for these specific forms of residential development. This development is to be in accordance with the relevant conditions as detailed in the DC2005, Part 3, unless otherwise stated by a policy in this Local Plan; and**
- ii. A mix of Class 1 (Use Classes Order, 1994) detached and semi-detached dwellings on sites zoned in the relative Area Policy Maps for these specific forms of residential development. This development is to be in accordance with the relevant conditions as detailed in the DC2005, Part 3, unless otherwise stated by a policy in this Local Plan.**

If a master plan agreed to by 75% of the owners of the gross floor area for each of the identified sites at Birkirkara, Hamrun and Santa Venera as indicated on Maps BKM1, HAM1 and SVM1 is submitted to MEPA, the re/development of the identified villa sites to terrace houses, maisonettes and flats may be considered favorably by MEPA under the following conditions:

- a) The uses comply with Policy CG07 Residential Areas; and**
- b) The height limitation is for three floors plus semi-basement for all these sites notwithstanding that this does not conform to the building height limitation as indicated in the relevant Building Height Limitations Maps.**

In the absence of an approved master plan, development of individual plots should follow the conditions set out in the DC 2005 for the relevant Villa Areas.

- 3.3.22 Residential Priority Areas are generally used exclusively for residential purposes. RPAs are distinct from other urban areas because of the particular building design of the existing semi-detached/detached dwellings and bungalows, lower densities and appreciable landscaped areas within individual sites. These areas can be extensive such as in the case of Naxxar and Iklin, or may consist of small enclaves such as in Birkirkara, Mosta and Blata-l-Bajda. The proliferation of non-residential uses within these RPAs is likely to have a serious impact on their particular residential character and amenity, and is therefore not permitted by MEPA.



This the thirtieth day of
November of the year two
thousand and twelve.

No. 128.

Before me Doctor of Laws Pierre Attard, a Notary Public,
duly admitted and sworn, have personally appeared and
identified themselves in accordance to law by means of the
hereunder mentioned official documents:

Sale
(Intra Group
Transfer)

Enrolled in the
Public Registry
on the:

Of the first part:

Yiannos Michaelides, chief executive officer, son of Frixos
Michaelides and Lella nee Proestou, born in Lefkosia,
Cyprus and residing at Saint Julians, holder of Cypriot
Passport number K00012238, who appears on this deed in
the name and on behalf of "**GO p.l.c.**", previously named
"Maltacom p.l.c.", a limited liability company registered in
Malta with registration number letter C two two three
three four (C22334) and registered office at GO, Fra Diegu
Street, Marsa (which company is hereinafter referred to as
the "**Vendor**"), as duly authorised by virtue of a resolution
of the Board of Directors of the company hereto annexed
as a document marked with the letter "A".

I. _____
2012
(Special Privilege -
Payment of Price)

Of the second part:

Edmond Brincat, chief finance officer, son of the late
Carmel Brincat and Grace nee Axiaq, born in Pieta' and
residing at Attard, holder of Maltese identity card number
450767M, who appears on this deed in the name and on
behalf of "**BKE Property Company Limited**" a limited
liability company registered in Malta with registration
number letter C five four five nine one (C54591) and
registered office at GO, Fra Diegu Street, Marsa (which
company is hereinafter referred to as the "**Purchaser**"), as
duly authorised by virtue of a resolution of the Board of

Directors of the company hereto annexed as a document marked with the letter "B".

1. By virtue of this deed the Vendor sells and transfers to the Purchaser which accepts, purchases and acquires the complex, without official number, known as the Birkirkara Exchange, in Triq Salvu Psaila corner with Triq Borg and with Triq Il-Fniek, within the area known as "Tal-Briegex" at Birkirkara, which complex includes the buildings and other improvements all without official number, as well as the outside areas, all situated within the boundaries of the complex; which complex has its main entrance on Triq Salvu Psaila and several other unnumbered entrances on Triq Salvu Psaila, Triq Borg and Triq Il-Fniek and is bounded on the North by Triq Salvu Psaila, on the North West by Triq Il-Fniek and on the South East by Triq Borg, with all its rights and appurtenances including its overlying airspace and its underlying terrain, as free and unencumbered; which complex is shown on the plan annexed to this deed as a document marked with the letter "C" and comprises the parts outlined in red on the aforesaid plan as well as the part shown shaded in yellow on the aforesaid plan (which complex is hereinafter referred to as the "**Property**"), for the price and under the other terms and conditions set out hereunder:

2.1. For the total price of seven million eight hundred and fifty thousand euro (EUR7,850,000) (hereinafter referred to as the "**Price**"), which sum shall be paid by the Purchaser to the Vendor, which accepts, by not later than ten (10) years from the date of publication of this deed together with interest at the rate of five per cent (5%) per annum due with effect from today until date of effective payment in full and final settlement; provided that if the Purchaser sells or otherwise transfers the Property under any title prior to the above mentioned date, the Price or any outstanding part thereof and all interest due thereon shall become immediately due and payable by the

Purchaser to the Vendor on the deed of sale or other transfer of the Property.

2.2 In warranty of the payment of the Price and any interest due thereon, the Vendor reserves in its favour the special privilege accorded to it by law on the Property.

3.1 The Property is being sold *tale quale*, in its present state and condition.

3.2 The Property is being sold as free and unencumbered and as free from any ground-rents, burdens, servitudes, hypothecs, privileges, charges, cautions, any rights, both real and personal, in favour of third parties, expropriation, requisition, enforcement orders and litigation.

4.1 The Vendor warrants the good title, peaceful possession and real enjoyment of the Property in accordance with law in favour of the Purchaser which accepts.

4.2 The Purchaser declares that since this sale is being made by one company to another company which form part of the same group and in order to avoid additional expenses, it has not requested from the Vendor the general hypothec on its property customarily granted by a Vendor to a Purchaser on a deed of sale of immovable property.

5. The Vendor also warrants and guarantees in favour of the Purchaser, which accepts:

i. that the Property is free from any hypothecs, privileges, charges or cautions and from debts, whether registered or otherwise, and that any architect fees, building permit fees, road and drainage contributions and contributions for the other services and utilities in the Property, and any fees and expenses due to contractors

and suppliers for the construction and completion of the Property are paid and fully settled;

ii. that the Property is constructed and completed in accordance with law and in accordance with issued permits and plans approved by the competent authorities and in conformity with all laws and regulations applicable to buildings in general including sanitary matters;

iii. that there are no proceedings pending or threatened, known or which should be known to the Vendor, in connection with and/or relating to the Property and that there are no circumstances, known or which should be known to the Vendor, which are likely to give rise to any litigation or arbitration.

6. Any pending bills and/or contributions relating to any services or utilities provided within the Property, including without limitation all water, electricity and telephone service bills including rentals thereof, up to today shall be duly paid and settled by the Vendor. The Vendor promises and undertakes to sign all such documents and perform all such acts as may be reasonably required by the Purchaser such that each of the said services and utilities may be registered in the name of the Purchaser, or any person nominated by the Purchaser.

7. All fees and expenses, including notarial fees, relative to this sale shall be borne by the Vendor.

Statutory Declarations

(A) For the purposes of the Duty on Documents and Transfers Act, Chapter three hundred and sixty four (CAP.364) of the Laws of Malta:

i. I the undersigned Notary do hereby declare that:

(a) the Property was acquired by the Vendor in several parts, namely the parts shown outlined in red on the plan annexed to this deed as a document marked with the letter "C" and the part shown shaded in yellow on the same plan, in the following manner:

(b) in virtue of section twenty four (24) of the Telemalta Corporation Act, Act sixteen of the year one thousand nine hundred and seventy five (XVI/1975), the part of the Property shown shaded in yellow on the aforesaid plan was transferred to and vested in Telemalta Corporation in absolute ownership without the need of any other formality;

(c) in virtue of the Telecommunications (Regulation) Act one thousand nine hundred and ninety seven (1997), Act thirty three of the year one thousand nine hundred and ninety seven (XXXIII/1997), the whole of the relevant business of Telemalta Corporation, including the part of the Property shown shaded in yellow on the aforesaid plan, was transferred to and vested in Maltacom p.l.c., which company was designated as the designated company by the Prime Minister by Legal Notice number two hundred and thirty eight of the year one thousand nine hundred and ninety seven (L.N.238/1997) for the purposes of the aforesaid Act, which transfer was recorded in the Public Registry by note of enrolment number two hundred and fifty two of the year one thousand nine hundred and ninety eight (252/1998) in terms of the abovementioned Act without the need of any other formality.

(d) on the twentieth day of November of the year two thousand and seven (20/11/2007) Maltacom p.l.c. changed its name to GO p.l.c.

(e) in virtue of a deed in the records of Notary Tania Spiteri of the ninth day of May of the year two thousand and twelve (9/5/2012) the Vendor acquired the parts of the

Property shown outlined in red on the aforesaid plan from the Government of Malta by title of exchange.

ii. As results from the Exemption Letter, annexed to this deed, as a document marked with the letter "D", issued by Ivan Portelli for the Commissioner of the Inland Revenue, bearing reference letters IR(S) number two thousand and twelve stroke five thousand five hundred and thirty seven (IR(S) 2012/5537), no duty is due by the Purchaser on this deed in terms of article 32(6) of the Duty on Documents and Transfers Act since this deed concerns the transfer of immovable property from one company to another company which are deemed to be the same group of companies within the terms of article forty two (42) of the Duty on Documents and other Transfers Act.

(B) For the purposes of the Income Tax Management Act, Chapter three hundred and seventy two (Cap.372) of the Laws of Malta and the Income Tax Act, Chapter one hundred and twenty three (Cap.123) of the Laws of Malta:

i. The Vendor and the Purchaser declare that for the purposes of sub-article twelve (12) of article five capital A (5A) of the Income Tax Act, they have declared to the undersigned notary all the facts that determine if the transfer is one to which the aforesaid article 5A applies or otherwise and that are relevant for ascertaining the proper amount of tax chargeable or any exemption, and declare that the Price represents the market value of the Property. The Vendor and the Purchaser make this declaration after I the undersigned notary warned them about the importance of the truthfulness of their declaration and of the consequence in the case of false or erroneous declarations.

ii. The Vendor and the Purchaser declare that this deed concerns the transfer of immovable property from one company to another company which qualifies for tax exemption under paragraph letter (f) of sub-article four (4)

of Article five letter A (5A) of the Income Tax Act and that they are making this declaration after I the undersigned notary warned them about the importance of the truthfulness of their declaration and of the consequence in the case of false or erroneous declarations.

iii. On the basis of the declaration made by the parties I the undersigned Notary, declare that no tax is due by the Vendor on this sale.

iv. For the purposes of the Income Tax Act and in accordance with the provisions of sub-rule four (4) of Rule six (6) of the Capital Gains Rules a copy of the notice mentioned in roman number two of sub-article nine of article five (5(9)(ii)) of the Income Tax Act in the form prescribed in Schedule A attached to the Capital Gains Rules shall be attached to this deed by the undersigned notary when the said notice is acknowledged and stamped by the Commissioner of Inland Revenue.

(C) For the purposes of the Immovable Property (Acquisition by Non-Residents) Act Chapter two hundred and forty six (CAP.246) of the Laws of Malta (the Act) the Purchaser has been given permission by the Director, Capital Transfer Duty, of the Office of the Inland Revenue to purchase the Property as results from the permit bearing letters AIP number two zero one two stroke zero one six three (AIP2012/0163) annexed to this deed as a document marked with the letter "E", as subject to the terms and conditions mentioned in the aforesaid permit, which terms and conditions the Purchaser declares to have read and is fully cognisant of.

(D) For the purposes of the Land Registry Act Chapter two hundred and ninety six (Cap. 296) of the Laws of Malta, I the undersigned Notary do hereby declare that the Property is registered in the name of the Vendor as Property Number one four zero zero five four one eight (14005418).

Not. Pierre Attard LL.D., Notary Public, Malta.
29/10, Vincenti Buildings, Strait Street, Valletta VLT1432, Malta.
Tel. 21224892/21232740; Fax. 21245922.

This deed has been done, read and published by me the undersigned Notary after having explained the contents thereof to the appearers in accordance to law in Malta at number twenty nine (29), Vincenti Buildings, flat number ten (10), Strait Street, Valletta.

Yiannos Michaelides.
Edmond Brincat.
Not. Pierre Attard,
Notary Public,
Malta.

A

GO p.l.c.
Company Registration No C 22334
(the "Company")

CERTIFIED TRUE EXTRACT OF RESOLUTIONS IN WRITING SIGNED
BY ALL THE DIRECTORS ENTITLED TO RECEIVE NOTICE OF AND
TO ATTEND AND VOTE AT A MEETING OF THE DIRECTORS OF THE
COMPANY

Quote

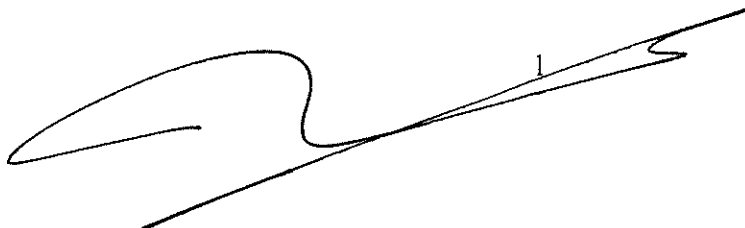
DATA

The Property: The complex, without official number, known as the Birkirkara Exchange, in Triq Salvu Psaila corner with Triq Borg and with Triq Il-Fniek, within the area known as "Tal-Briegex" at Birkirkara, which complex includes the buildings and other improvements all without official number, as well as the outside areas, all situated within the boundaries of the complex; which complex has its main entrance on Triq Salvu Psaila and several other unnumbered entrances on Triq Salvu Psaila, Triq Borg and Triq Il-Fniek, with all its rights and appurtenances including its overlying airspace and its underlying terrain, as free and unencumbered, *tale quale*, in its present state and condition.

Price: EUR7,850,000 (seven million eight hundred and fifty thousand euro).

Modality of Payment: By not later than ten (10) years from the date of publication of the deed of sale and purchase together with interest at the rate of five per cent (5%) per annum due with effect from the date of publication of the deed of sale and purchase until date of effective payment in full and final settlement; provided that if the Purchaser sells or otherwise transfers the Property under any title prior to the above mentioned date, the Price or any outstanding part thereof and all interest due thereon shall become immediately due and payable by the Purchaser to the Company on the deed of sale or other transfer of the Property.

Security: Special privilege accorded to the Company by law on the Property as warranty for payment of the Price.



f63

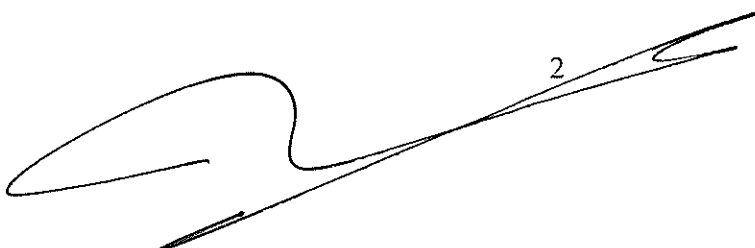
Purchaser: BKE Property Company Limited, registration number C54591.

BACKGROUND

The Directors reviewed the draft notarial deed of sale and purchase, a copy of which is filed in the Company records (the "**Notarial Deed**"), by virtue of which it is proposed that the Company sells and transfers the Property to the Purchaser which desires to purchase and acquire the Property at the Price payable in the manner stated above and upon the other terms and conditions contained therein.

IT IS RESOLVED:

1. That it is in the best interests of the Company for the Company to sell and transfer the Property to the Purchaser for the Price and upon the other terms and conditions contained in the Notarial Deed;
2. That the Company sells and transfers the Property to the Purchaser for the Price and upon the other terms and conditions contained in the Notarial Deed including the granting of a warranty of the peaceful possession of the Property and, if requested by the Purchaser, to secure this warranty by means of a general hypothec on all the Company's property present and future;
3. That Yiannos Michaelides or any director of the Company (each an "**Authorised Signatory**" and jointly "**Authorised Signatories**"), acting individually or jointly, be and are hereby authorised to execute the Notarial Deed and any ancillary documents on the Company's behalf and to agree such amendments, variations or modifications to the Notarial Deed as the Authorised Signatory or Authorised Signatories may in his or their absolute discretion think fit;
4. That an Authorised Signatory or the Authorised Signatories, as the case may be, be and are hereby authorised to make any declarations required by law on the Notarial Deed and to grant any warranty or guarantee in respect of the Property as may be deemed acceptable to the Company in the sole discretion of the Authorised Signatory or the Authorised Signatories, as the case may be;

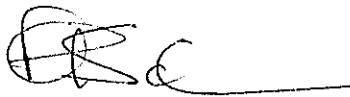
A large, stylized handwritten signature in black ink, featuring a prominent loop and a long, sweeping horizontal stroke.

4. That an Authorised Signatory or the Authorised Signatories, as the case may be, be and are hereby authorised to do all such further acts and things so as to carry into effect the purposes of the resolutions contained herein and/or to give or execute any or all notices, communications or other documents on behalf of the Company in connection with the Notarial Deed or the transaction contemplated thereby; and

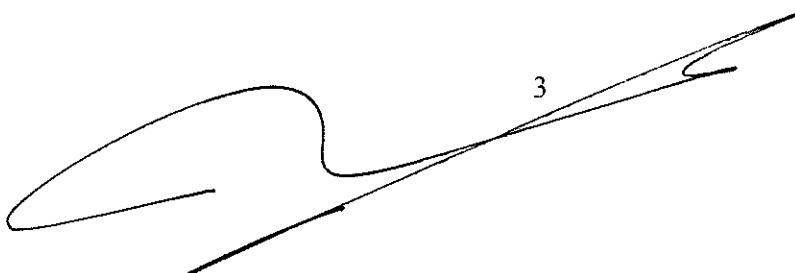
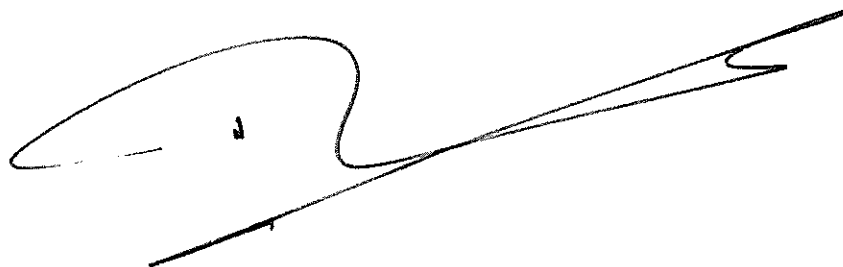
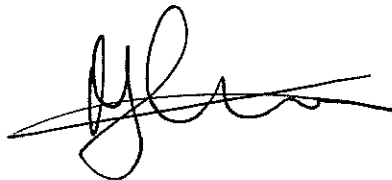
5. That the execution of the Notarial Deed and/or any notice, communication or other document referred to above by an Authorised Signatory or Authorised Signatories shall be conclusive evidence of the due authorisation by the Company of the execution of such Notarial Deed, notice, communication or other document.

Unquote

Certified true copy this 27th day of November 2012



Dr. Francis Galea Salomone LL.D.
Company Secretary



3

BKE Property Company Limited
Company Registration No C 54591
(the "Company")

**CERTIFIED TRUE EXTRACT OF RESOLUTIONS IN WRITING SIGNED
BY ALL THE DIRECTORS ENTITLED TO RECEIVE NOTICE OF AND
TO ATTEND AND VOTE AT A MEETING OF THE DIRECTORS OF THE
COMPANY**

Quote

DATA

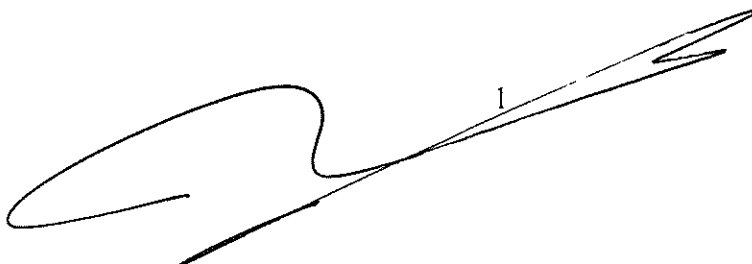
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Price: EUR7,850,000 (seven million eight hundred and fifty thousand euro).

Modality of Payment: By not later than ten (10) years from the date of publication of the deed of sale and purchase together with interest at the rate of five per cent (5%) per annum due with effect from the date of publication of the deed of sale and purchase until date of effective payment in full and final settlement; provided that if the Purchaser sells or otherwise transfers the Property under any title prior to the above mentioned date, the Price or any outstanding part thereof and all interest due thereon shall become immediately due and payable by the Purchaser to the Company on the deed of sale or other transfer of the Property.

Security: Special privilege accorded to the Vendor by law on the Property as warranty for payment of the Price.

Vendor: GO p.l.c., registration number C22334.

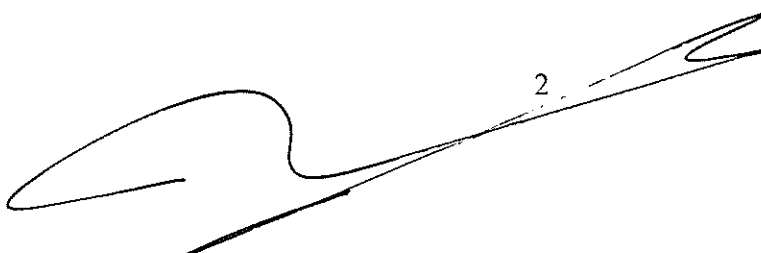
A handwritten signature in black ink, consisting of a large, stylized loop followed by a series of diagonal strokes.

BACKGROUND

The Directors reviewed the draft notarial deed of sale and purchase, a copy of which is filed in the Company records (the "**Notarial Deed**"), by virtue of which it is proposed that the Company purchases and acquires the Property from the Vendor which desires to sell and transfer the Property at the Price payable in the manner stated above and upon the other terms and conditions contained therein.

IT IS RESOLVED:

1. That it is in the best interests of the Company for the Company to purchase and acquire the Property from the Vendor for the Price and upon the other terms and conditions contained in the Notarial Deed;
2. That the Company purchases and acquires the Property from the Vendor for the Price and upon the other terms and conditions contained in the Notarial Deed.
3. That Mr. Edmond Brincat or any director of the Company (each an "**Authorised Signatory**" and jointly "**Authorised Signatories**"), acting individually or jointly, be and are hereby authorised to execute the Notarial Deed and any ancillary documents on the Company's behalf and to agree such amendments, variations or modifications to the Notarial Deed as the Authorised Signatory or Authorised Signatories may in his or their absolute discretion think fit;
4. That an Authorised Signatory or the Authorised Signatories, as the case may be, be and are hereby authorised to make any declarations required by law on the Notarial Deed and to grant any warranty or guarantee in respect of the payment of the Price as may be deemed acceptable to the Company in the sole discretion of the Authorised Signatory or the Authorised Signatories, as the case may be;
5. To accept that since the Property shall be purchased from a company which forms part of the same group as the Company and in order to avoid additional expenses, the Company is not requesting from the Vendor the general hypothec on its property customarily granted by a vendor to a purchaser on a deed of sale of immovable property.

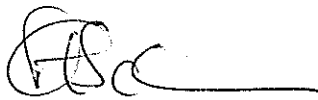
A handwritten signature in black ink, consisting of a large, stylized loop followed by a series of connected strokes that end in a small flourish.

6. That an Authorised Signatory or the Authorised Signatories, as the case may be, be and are hereby authorised to do all such further acts and things so as to carry into effect the purposes of the resolutions contained herein and/or to give or execute any or all notices, communications or other documents on behalf of the Company in connection with the Notarial Deed or the transaction contemplated thereby; and

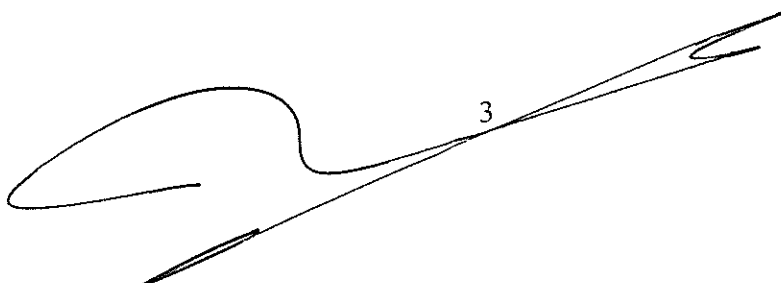
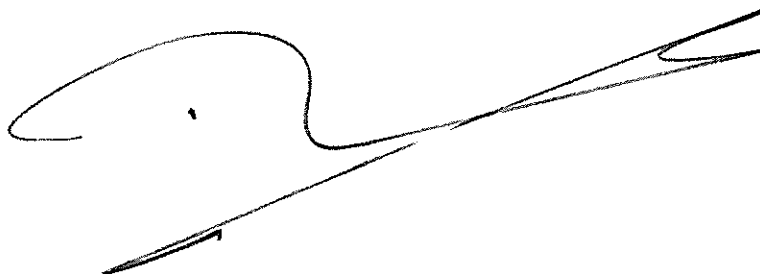
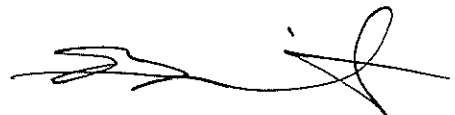
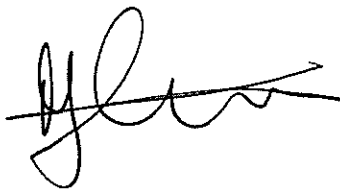
7. That the execution of the Notarial Deed and/or any notice, communication or other document referred to above by an Authorised Signatory or Authorised Signatories shall be conclusive evidence of the due authorisation by the Company of the execution of such Notarial Deed, notice, communication or other document.

Unquote

Certified true copy this 27th day of November 2012

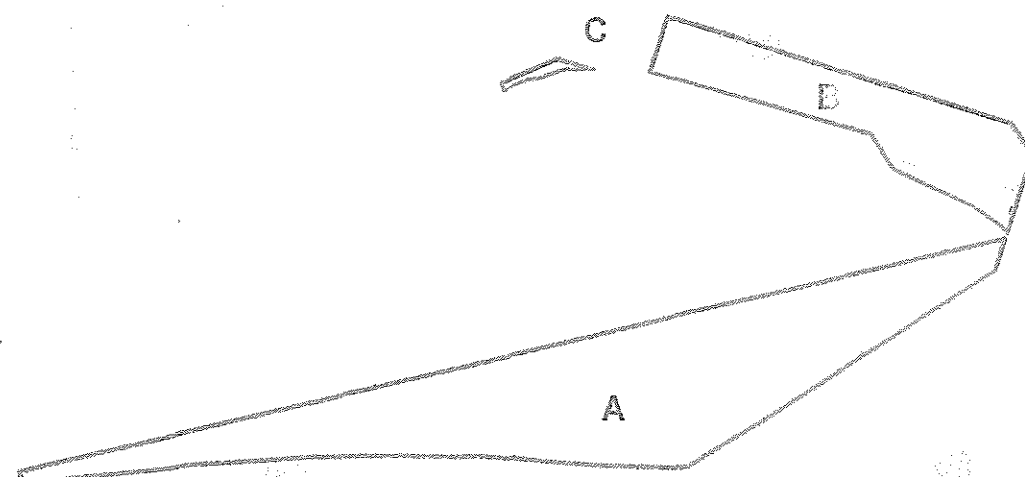


Dr. Francis Galea Salomone LL.D.
Company Secretary



SITES AT TRIQU SALVU PSAILA c/w TRIQU BORG BIRKIRKARA

150m
100
90
80
70
60
50
40
30
20
10
0
10
Scale 1:1000



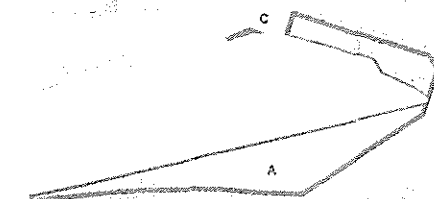
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10 0 10 20 30 40 50 60 70 80 90 100 150m

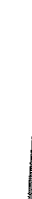
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AREA WASHED YELLOW IS INTERPRETED FROM C00192.17e GO PROPERTY SURVEY



Site Plan
S.S. 5272

Scale 1:2500
Map Ref. 52542
72463



PROPERTY No.: E26242
AREA : 1332m²



PROPERTY No.: E26323
AREA : 449m²



PROPERTY No.: E26481
AREA : 14m²

TRANSFERED TO TELEMALTA
BY VIRTUE OF TELEMALTA ACT

GOVERNMENT PROPERTY DIVISION
ESTATE MANAGEMENT DEPARTMENT

LOCALITY: BIRKIRKARA

P.D. No: 2010_965_B

SCALE 1:1000

FILE: L80/2005/1

DRAWN BY:
GAUCN003

(sgd. C. Said)

(sgd. R. Camilleri)

A&CE
DATE: 22/11/2011

Director Estate Management
DATE: 22/11/2011

UFFICCJU TAT-TAXXI INTERNI
(Capital Transfer Duty Branch)
Monti Di Pietà' Buildings
46, Triq il-Merkanti,
Il-Belt Valletta
MALTA



OFFICE OF INLAND REVENUE
(Capital Transfer Duty Branch)
Monti Di Pietà' Buildings
46, Merchants' Street
Valletta
Malta

TELEPHONE: 21220481
Direct Office : 22998139
Email: ivan.portelli@gov.mt

Date: 13th November, 2012
Ref: IR(S) 2012/5537

Mr. Bernard Attard

PricewaterhouseCoopers,
167, Merchants Street,
Valletta.

Re: Transfer of Immovable Property by GO p.l.c. (C-22334) to BKE Property Company Ltd (C-54591) - Certificate for Purposes of Article 32(6) of the Duty on Documents and Transfers Act, Chapter 364.

Please refer to letter dated 5th November, 2012 regarding the request for exemption between the captioned companies.

On the strength of the Memorandum and Articles of Association of GO p.l.c. (C-22334) and BKE Property Company Ltd (C-54591), and as certified by you in said letter, the matter refers to a transfer of immovable property between the said two companies which are deemed to be the same group of companies within the terms of Article 42 of the Duty on Documents and Transfers Act, Chapter 364, hereinafter referred to as "the Act". As a matter of fact more than fifty per cent of the voting rights of both companies are directly/indirectly owned by the same shareholders.

It is therefore hereby certified, for the purposes of Article 32 (6) of the Act that, on the basis of the facts as known today and as stated above, no duty under the provisions of the Act shall be chargeable on the transfer of the following immovable property from GO p.l.c. (C-22334) to BKE Property Company Ltd (C-54591) :

The complex, without official number, known as the Birkirkara Exchange, in Triq Salvu Psaila corner with Triq Borg and with Triq Il-Fniek, within the area known as "Tal-Briegex" at Birkirkara, which complex includes the buildings and other improvements all without official number, as well as the outside areas, all situated within the boundaries of the complex, which complex has its main entrance on Triq Salvu Psaila and several other unnumbered entrances on Triq Salvu Psaila, Triq Borg and Triq Il-Fniek.

Ivan Portelli
B.A(Hons); MBA(Executive)
Enforcement Manager

UFFICCJU TAT-TAXXI INTERNI
(Capital Transfer Duty Branch)
Monti Di Pieta' Buildings
46, Triq il-Merkanti,
Il-Belt Valletta
Malta



OFFICE OF INLAND REVENUE
(Capital Transfer Duty Branch)
Monti Di Pieta' Buildings
46, Merchants' Street
Valletta
Malta

AIP2012/0163

23rd November 2012

IMMOVABLE PROPERTY (ACQUISITION BY NON-RESIDENTS) CAP 246

With reference to the application dated 19th October 2012 for the acquisition of immovable property in Malta, permission is hereby given in terms of the provisions of the Immoveable Property (Acquisition by Non-Residents) Act (Chapter 246), to:

BKE Property Company Ltd.

to acquire the under mentioned immovable property for the consideration of € 7,850,000

Immovable Property

Birkirkara Exchange.

The complex, without official number, known as the Birkirkara Exchange, in Triq Salvu Psaila corner with Triq Borg and with Triq Il-Fniek, within the area known as "Tal-Briegex" at Birkirkara, which complex includes the buildings and other improvements all without official number, as well as the outside areas, all situated within the boundaries of the complex; which complex has its main entrance on Triq Salvu Psaila and several other unnumbered entrances on Triq Salvu Psaila, Triq Borg and Triq Il-Fniek and is bounded on the North by Triq Salvu Psaila, on the North West by Triq Il-Fniek and on the South East by Triq Borg, with all its rights and appurtenances including its overlying airspace and its underlying terrain, as free and unencumbered, for the consideration of €7,850,000.

Subject conditions mentioned there under:-

Conditions:

1. If acquisition is not effected within six months from date of issue of this permit, approval is considered as having been revoked unless extension has been applied for and such extension granted.
2. Within three months from the publication of the deed of acquisition, a certified copy of such deed must reach the Office of the Commissioner of Inland Revenue.
3. That the property is solely used for the business of the applicant and by its associated companies and for no other purpose.

Philip D'Amato
f/Director
Capital Transfer Duty

SITES AT
TRIQ SALVU PSAILA c/w TRIQ BORG
BIRKIRKARA

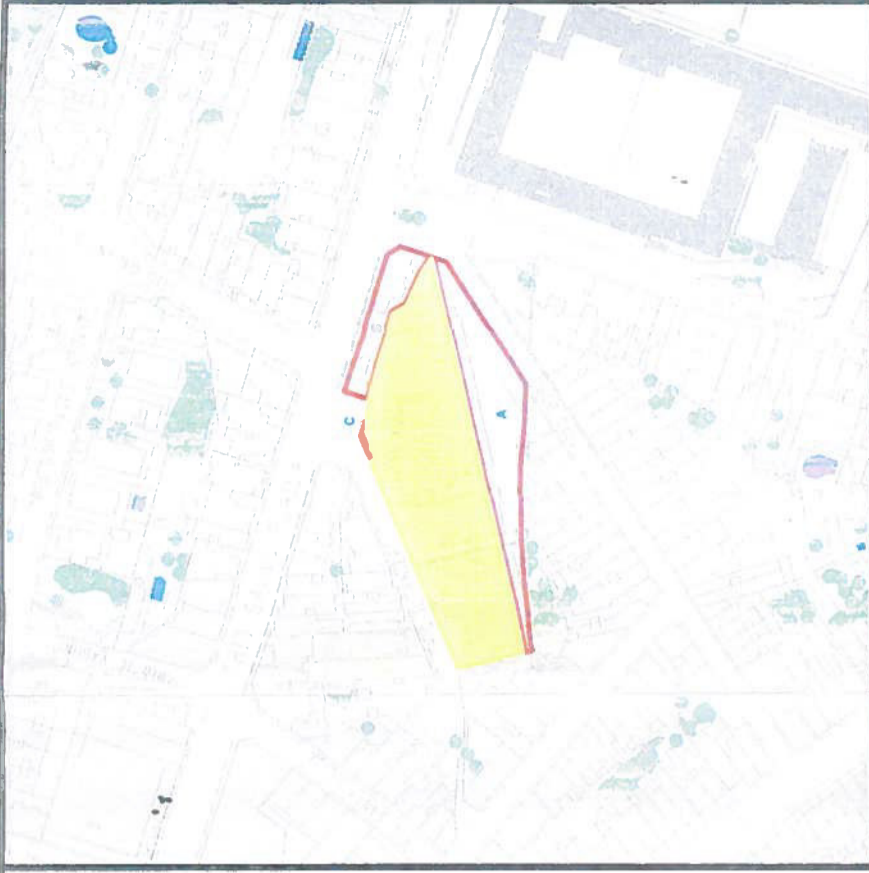
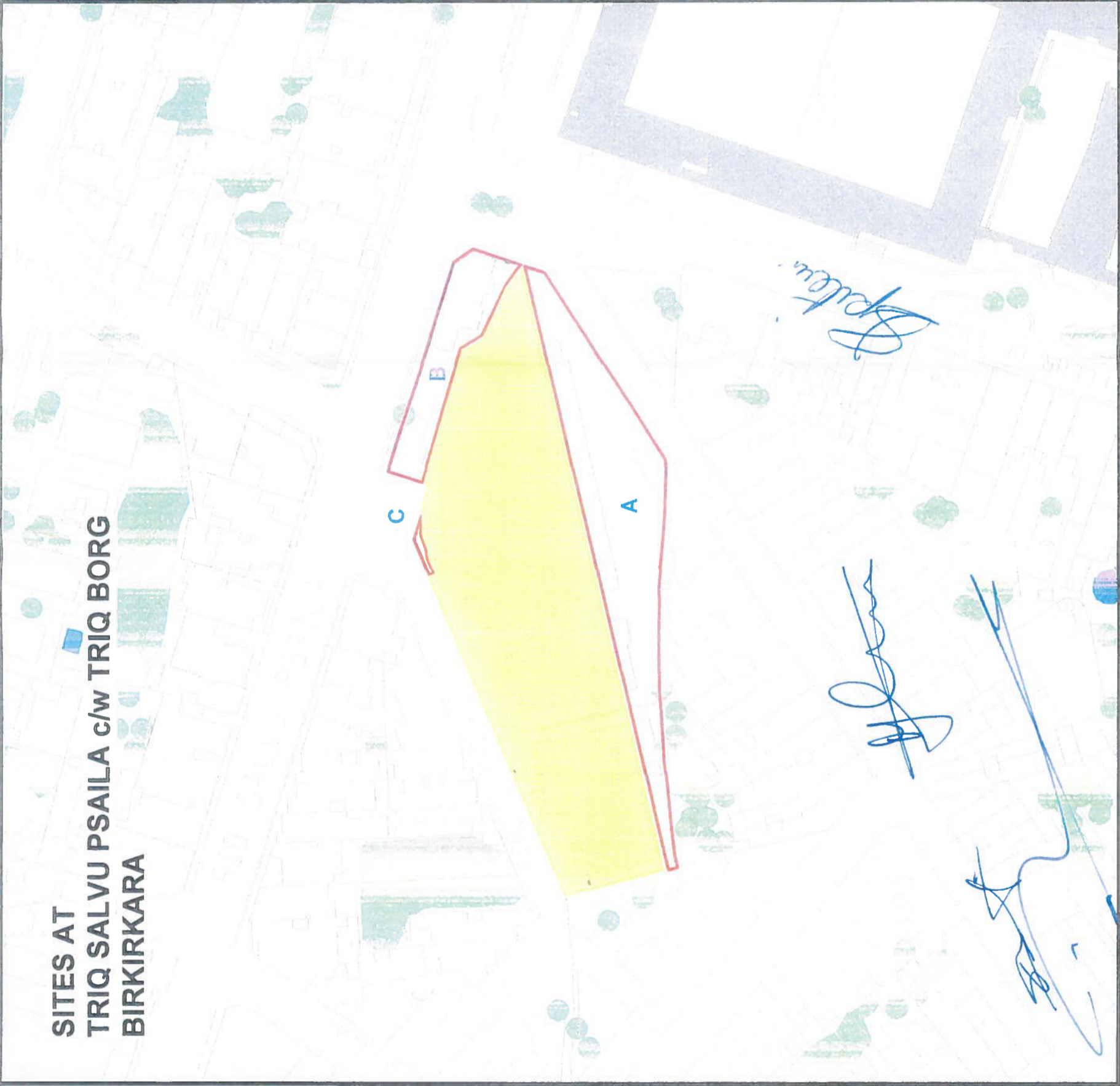


Scale 1:1000



Scale 1:1000

AREA WASHED YELLOW IS INTERPRETED FROM C00192.17e GO PROPERTY SURVEY



Site Plan
S.S. 5272

Scale 1:2500
Map Ref. 52542
72463



A

PROPERTY No.: E26242
AREA : 1332m²

B

PROPERTY No.: E26323
AREA : 449m²

C

PROPERTY No.: E26481
AREA : 14m²



TRANSFERRED TO TELEMALTA
BY VIRTUE OF TELEMALTA ACT

GOVERNMENT PROPERTY DIVISION
ESTATE MANAGEMENT DEPARTMENT

LOCALITY: BIRKIRKARA

P.D.No: 2010_965_B

SCALE 1:1000

FILE: L80/2005/1

DRAWN BY:
GAUCN003

(sgd. C. Said)

(sgd. R. Camilleri)

A&CE

Director Estate Management

DATE: 22/11/2011

DATE: 22/11/2011

LEASE

Between

BKE PROPERTY COMPANY LIMITED

And

GO p.l.c.

Of

BIRKIRKARA OLD EXCHANGE

LEASE AGREEMENT

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LEASE AGREEMENT

THIS **LEASE** is made on the 15th day of October 2015 by and between:

BKE PROPERTY COMPANY LIMITED a company incorporated under the laws of Malta under company registration number C 54591, whose registered office is at GO, Fra Diego Street, Marsa, MRS 1501, duly represented hereon by Nikhil Patil, CEO, holder of British passport number 518174825, in terms of a resolution of the Directors of the said company attached hereto as **Document A** (hereinafter referred to as the “**Landlord**”), and

GO p.l.c., a public company incorporated under the laws of Malta under company registration number C 22334 whose registered office is at GO, Fra Diego Street, Marsa, MRS 1501 . duly represented hereon by Yiannos Michaelides, CEO, holder of Cypriot passport number K00012238 in terms of a resolution of the Directors of the said company attached hereto as **Document B** (hereinafter referred to as the “**Tenant**”).

The Landlord and the Tenant are hereinafter also individually referred to as “**Party**” and collectively as “**Parties**”.

Whereas:

(A) The Landlord is the owner of the Premises;

(B) The Tenant is or will be (as the case may be) the occupier and user of the Premises and the Parties wish to formalise the terms and conditions of the occupation and use of the Premises by entering into this Lease;

Now, therefore, the Parties agree as follows:

1. 01 Definitions

“Associate Company”	Means a company in which the Tenant directly or indirectly holds at least twenty per cent (20%) of the issued share capital.
“ Lease Commencement Date”	Means the date specified in Annex 1.
“Permitted Use”	Means the use of the Premises described in Annex 1 by the Tenant and any subsidiary company or Associate Company of the Tenant.

“Premises”	Means the premises described in Annex 1
“Rent”	Means the rent stated in Annex 1 as increased in terms of Article 3.02
“Term”	Means the term stated in Annex 1 and referred to in Article 2

1. 02 Interpretation

The documents annexed to this Lease shall be construed to form a substantial and integral part of this Lease and any reference to this Lease shall include a reference to the said documents.

The headings in this Lease are inserted for convenience only and do not affect its construction.

ARTICLE 2

GRANT AND TERM

2.01. Grant of the Premises and Term.

In consideration of the rents, terms and conditions set forth herein, Landlord leases to Tenant, and Tenant leases from Landlord, the Premises for the Term.

2.02. Condition of the Premises.

(a) The Premises are leased tale quale in the "as is" state and condition, with immediate vacant possession in favour of the Tenant. The Tenant acknowledges that it is already in occupation of the Premises and has been so for some time. The Tenant accepts the Premises in the "as is" state and condition.

Provided that in the event that the Lease Commencement Date and/or date of vacant possession to the Tenant indicated in Annex 1 is later than the date of signing of this lease as indicated at the head of this Lease, the following paragraph (aa) shall apply instead of the preceding paragraph (a):

(aa) The Premises are leased in the state indicated in Annex 1. Vacant possession shall be given to the Tenant at the time or times specified in Annex 1.

(b) Other than as may be expressly stated elsewhere in this Lease or otherwise mandated by Maltese law, the Landlord makes absolutely no warranties or representations (express or implied), regarding the condition of the Premises (save for latent defects) or their fitness for any particular use. Except as may otherwise be specifically stated in this Lease, the Landlord shall not be required to make any alterations, improvements, or repairs to the Premises at any time.

2.03 Tenant's Equipment

All plant machinery and equipment that is not a permanent fixture of the Premises is the property of the Tenant.

2.04. Permits and Approvals

The Tenant shall obtain and maintain all the relevant permits and approvals to operate the Premises for the Permitted Use.

2.05 Early Termination By Landlord

The right (if applicable) of the Landlord to early termination of the lease is set out in Annex 1.

2.06 Early Termination By Tenant

The right (if applicable) of the Tenant to early termination of the lease is set out in Annex 1.

ARTICLE 3

RENT

3.01. Rent.

The Rent shall commence on the Lease Commencement Date, the first payment of such Rent being due and payable on such date and thereafter quarterly in advance and shall continue to be so paid throughout the Term.

Rent shall be paid without demand, deduction, or set off, together with the applicable value added tax or any other tax, other than tax on income or profit that may come into force during the Term.

3.02. Rent Review

For purposes of this Article 3.02 the following definitions shall apply:

“RPI” means the Retail Price Index published by the National Statistics Office (NSO) of Malta for the 12 months average rate preceding the relative Rent Review Date.

“Rent Review Date” means the date indicated in Annex 1, and subsequently the 1st January in each calendar year throughout the Term including the 1st January in the last calendar year of the Term.

“Revision Date” means the date on which the Landlord serves notice on the Tenant stating that the revised Rent has been determined as stated hereunder and stating the amount of the revised Rent.

(a) The Rent will be recalculated by the Landlord on each Rent Review Date by applying a percentage equivalent to the change in the RPI. If the recalculation results in an increase in the Rent, the Rent shall be revised and increased accordingly. If the recalculation does not result in an increase in Rent, the Rent shall not be revised and shall remain fixed until the next Rent Review Date. The recalculation shall be notified by the Landlord to the Tenant on the Revision Date together with the amount of revised Rent, if any.

(b) If by the relevant Rent Review Date the amount of the revised Rent has not been determined as aforesaid, the Tenant shall continue to pay to the Landlord, in the manner provided in Article 3.01, the Rent payable immediately before that Rent Review Date for all subsequent quarters up to and including the quarter which contains the applicable Revision Date.

(c) Within thirty (30) days of the applicable Revision Date there shall be due by the Tenant to the Landlord as arrears of Rent an amount equal to the difference between the revised Rent as determined on the applicable Rent Review Date and the Rent actually paid by the Tenant to the Landlord for the quarters subsequent to the applicable Rent Review Date up to and including the quarter which contains the applicable Revision Date.

ARTICLE 4

CONDUCT OF BUSINESS BY TENANT

4.01. Use of Premises.

Tenant shall use the Premises only for the Permitted Use, and for no other use except with the Landlord’s written consent.

4.02. Nuisance.

Tenant shall not commit, or suffer to be committed, any nuisance or other act or thing which may disturb the quiet enjoyment of users, owners or occupiers of property in the vicinity of the Premises.

4.03. Compliance with Laws and Regulations.

Tenant shall, at Tenant’s sole cost and expense, comply with all legislation, rules, regulations and administrative orders applicable to Malta now in force, or which may hereafter be in force, pertaining to the Premises and the business to be carried out by it therein, and shall faithfully observe all conditions included in all licences, permits and authorisations issued to the Tenant or the Premises in relation to the business or activities being carried out from the Premises, now in force or which may hereafter be in force.

ARTICLE 5

IMPROVEMENTS AND ALTERATIONS

5.01. Alterations by Tenant.

Tenant shall not at any time make (a) any structural alteration, addition, improvement or other structural change to the Premises; or (b) any alteration, addition, improvement or other change to the exterior of the Premises without the Landlord's prior written approval, and in any case subject to all relevant permits (including but not limited to the permits issued by the Malta Environment and Planning Authority) for the carrying out of any such works if these are required (which permits it shall be the Tenant's responsibility to obtain). As a condition to evaluating any request by Tenant pursuant to this Article, Landlord may require Tenant to provide plans, specifications or other information to Landlord to enable Landlord to evaluate Tenant's request. If Landlord's approval is given, which approval shall not be unreasonably withheld, it may be subject to reasonable conditions or qualifications and in any event the approved alterations, additions, improvements or other changes shall be carried out at the Tenant's sole expense.

5.02 Mode of Execution

Any alterations, additions, improvements or other changes made to the Premises by the Tenant pursuant to this Lease, shall be carried out using good quality materials, with all due skill and care and according to law. Any such alterations, additions, improvements or changes made by Tenant shall, without prejudice to Article 12 , immediately become the property of Landlord.

5.03 Alterations by Landlord

Landlord acknowledges that the Premises include technical installations and therefore no alterations, additions or improvements are to be carried out by Landlord unless with the express approval in writing of the Tenant. Tenant does not have the obligation to grant any such approval.

ARTICLE 6

MAINTENANCE / REPAIRS

6.01. Maintenance and Repairs.

Tenant shall at its sole expense throughout the Term be responsible for all and any ordinary internal and external maintenance, and for all internal and external repairs other than structural, arising in the Premises, including to any Landlord's fixtures and fittings, and Tenant's permitted improvements and additions. For purposes of this Article 6.01, "structural repairs" shall be deemed to be those relating to the structure of the building itself, including the ceilings but excluding the screed, membrane or other surfacing material of the roof.

6.02. Good Condition

The Tenant shall maintain the Premises in good state of decoration and in a clean, orderly and sanitary condition.

ARTICLE 7

UTILITIES

7.01. Utilities.

Tenant shall be solely responsible for and shall promptly pay all charges, including use and/or connection fees, maintenance and other costs and charges, for water, electricity, telephone, and any other service or utility used in or upon or furnished to the Premises. In no event shall Landlord be liable for damages or otherwise for any interruption, reduction, disruption, curtailment or failure in the supply, quality or character of electricity, water, or other utility or service if either the quality or character thereof is changed or is no longer available or suitable for Tenant's requirements, nor shall any interruption, reduction, disruption, curtailment, failure or change in quantity, quality, or character constitute or be deemed to constitute constructive eviction of Tenant or excuse or relieve Tenant from any of its obligations to pay any rent due hereunder.

ARTICLE 8

INSURANCE

8.01. Tenant's Insurance

At all times during the Term, Tenant shall keep in full force and effect, at its sole expense, the following insurance policies issued by reputable insurance companies authorised to do business in Malta:-

(a) A policy of public liability insurance with respect to the Premises. Such policy shall name both Tenant and Landlord as insured and shall have limits of liability of at least the amount indicated in Annex 1 for injury or death to any one person, per occurrence, and for damage to property per occurrence.

(b) If required by the Landlord, Tenant shall obtain and keep in force an all risk policy of insurance coverage for Tenant's fixtures, equipment, or any improvements installed by Tenant.

8.02. Miscellaneous Requirements.

(a) Tenant shall furnish to Landlord prior to commencement of the Term and thereafter when reasonably required certificates or otherwise evidence satisfactory to Landlord of all insurance policies required to be procured by Tenant pursuant to Article 8.01. Each certificate shall state that Landlord shall be entitled to at least thirty (30) days prior written notice of any cancellation, material change, or non-renewal. Should Tenant fail to procure any insurance required hereunder, the Landlord may, in addition to any other remedies, procure the same on behalf of Tenant, and at Tenant's expense.

(b) With respect to any insurance policy referred to in this Article, Tenant shall not at any time cause or permit any act to be done on the Premises which might invalidate any such policy.

8.03 Landlord's Insurance

At all times during the Term, the Landlord shall keep in full force and effect a policy of building insurance issued by a company authorised to do business in Malta covering loss or damage to the Premises. Such policy shall be in the name of the Landlord (and any other name that the Landlord requires) as insured.

The building insurance policy shall provide protection against fire, earthquake, vandalism, special extended perils (all risk), terrorism and any other coverage which Landlord in its sole discretion deems necessary.

ARTICLE 9

INDEMNITY

9.01. Indemnity.

Tenant shall indemnify Landlord and hold Landlord harmless from and against any and all claims, damages, liabilities, costs and expenses arising from Tenant's use of the Premises, from the conduct of Tenant's business, or from any activity, work or thing done, permitted or suffered by Tenant in or about the Premises or elsewhere.

Tenant shall further indemnify Landlord and hold Landlord harmless from and against any and all claims, damages, liabilities, costs and expenses arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease.

Tenant shall further indemnify Landlord and hold Landlord harmless from and against any and all claims, damages, liabilities, costs and expenses arising from any act or omission of Tenant, Tenant's agents, contractors, employees, business invitees and guests.

If any action or proceeding is brought against Landlord in respect of which an indemnity may be sought from Tenant pursuant to this Lease, Landlord shall defend the same, at Tenant's expense, by advocates satisfactory to Landlord.

ARTICLE 10

ASSIGNMENT, SUBLETTING BY TENANT

10.01. Assignment.

The Tenant's rights (if any) to assign this Lease are set out in Annex 1.

10.2. Subletting

The Tenant's rights (if any) to sublet the Premises are set out in Annex 1. For the avoidance of doubt the following instances shall not be interpreted as being subletting:

- a) Co-location services, that is, services offered by Tenant to third parties to host their equipment in the Tenant's equipment rooms within the Premises, (in the event that the Premises includes rooms designed to house equipment);
- b) Granting any rights whether in full or in part in relation to services that form part of Tenant's business operations and/or allowing third party technical installations against payment as these services are to be considered as part of the normal business operations of Tenant;
- c) Granting to other operators the right to use masts and towers that may be affixed on the Premises;
- d) Any compliance with applicable law, rules, regulations/or guidelines, including but not limited to guidelines issued or access requests made by competent authorities.

ARTICLE 11

DEFAULT AND REMEDIES

11.01 Defaults

The occurrence of any one or more of the following events shall constitute a breach of this Lease by Tenant:

- (a) If the Tenant abandons the Premises.
- (b) The failure by Tenant to make any payment of Rent or of any payments due by the Tenant to the Landlord, if such failure continues for a period of thirty (30) days after notice is sent by the Landlord to Tenant.
- (c) The failure by Tenant to observe or perform any of the other terms, conditions or provisions of this Lease to be observed or performed by Tenant, if such failure continues for a period of thirty (30) days after notice (even if served on curators) from Landlord to Tenant.
- (d) (i) The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or (ii) the filing by or against Tenant of a petition for the winding up and dissolution of Tenant ; or (iii) if the Tenant declares insolvency; or (iv) if the Tenant is unable to pay his debts or has suspended the payment of his debts in terms of Article 214(5) of the Companies Act; or (v) the appointment of an official receiver, provisional liquidator or liquidator for the Tenant; or (vi) the dissolution of the Tenant for any reason whatsoever even pursuant to a resolution by the Tenant for its winding-up.

11.02. Remedies.

In the event of any default or breach by Tenant of this Lease as laid out in Article 11.01, Landlord may, at any time thereafter, and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default or breach:

- (a) Terminate Tenant's right to possession of the Premises by a further notice, in which case this Lease shall terminate forthwith *ipso iure* and Tenant shall surrender possession of the Premises to Landlord within one hundred and eighty (180) days. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including, but not limited to, the cost of recovering possession of the Premises; expenses of re-letting; unpaid rent or other sums payable by Tenant under the provisions of this Lease with interest from the date the same became due at the highest rate allowed by law; or
- (b) Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant has abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the

right to recover all Rent and other charges that would be payable had Tenant not been in breach of the Lease as aforesaid. The exercise by the Landlord of the option set out in this paragraph (b) shall not prevent the Landlord from exercising at any subsequent time the option set out in paragraph (a); or

- (c) Without prejudice to anything contained in the preceding paragraphs, pursue any other remedy now or hereafter available to Landlord under the Laws of Malta or decisions of the Maltese courts.

ARTICLE 12

UPON TERMINATION

12.01. Surrender of Premises.

Tenant shall at the expiration of the Term, or at any earlier termination of this Lease, surrender the Premises and all permanent fixtures and fittings therein and thereon to the Landlord with vacant possession and leaving the same in good condition and repair and fit for use fair wear and tear reflecting age of such fixtures and fittings accepted. Permanent fixtures and fittings shall include all building improvements, alterations, improvements, lighting and air-conditioning systems, and this without any right to receive any compensation whatsoever in respect thereof.

12.02 Landlord's Option

Notwithstanding the above, if required by Landlord, Tenant shall at its own expense, restore the Premises to the same condition as the Tenant received it, namely shell inside and outer skin ready, or remove at Tenant's sole expense certain building improvements, alterations or additions made by Tenant during the term of the Lease.

12.03. Holding Over.

If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term hereof or the earlier termination of the Lease, without the express written consent of Landlord, the Tenant shall pay, for each day of delay during the first 365 days delay, a penalty equivalent to two hundred percent (200%) of the last annual Rent calculated on a daily basis, and thereafter a penalty equivalent to three hundred percent (300%). The penalty shall be due as liquidated damages for mere delay and shall not be subject to abatement.

ARTICLE 13

ASSIGNMENT BY LANDLORD

The Landlord shall be entitled to transfer any or all of its rights and obligations as Landlord under this Lease to any third party as long as the rights of the Tenant under this agreement are safeguarded in their entirety and no new or increased burdens or obligations are created for the Tenant. To the extent that the transfer by the Landlord constitutes a novation, the Tenant undertakes to appear and sign all necessary documents to accept and put the novation into effect including, where this is required by the Landlord, the substitution of a new landlord instead of the Landlord and the discharge of the Landlord from its obligations as Landlord.

ARTICLE 14

ACCESS BY LANDLORD

14.01. Landlord's Right of Entry.

Landlord and Landlord's agents shall have the right to enter the Premises at all times during normal office hours being any business day falling from Monday to Friday (both days included) between 08.00hrs and 17.00hrs, provided that prior written notice thereof has been given to the Tenant at least 24 hours in advance, to examine the same, and to show them to prospective purchasers or tenants of the Premises. Landlord shall also have the right to enter the Premises subject to the terms of this Article, to inspect any works that are being carried out by the Tenant and to ensure that these are being carried out in accordance with the terms of this Lease. Landlord shall ensure that its employees or agents will in no way disrupt the operations of the Tenant.

ARTICLE 15

NEW LEASE

Article 15.01 No Right of Preference to New Lease

The Tenant waives any right of preference to a new lease that may be available to it at law.

ARTICLE 16

OPTION TO PURCHASE

Article 16.01. Option To Purchase

(a) Insofar as concerns those Premises in respect of which it is expressly stated in Annex 1 that the Tenant has an option to purchase, this option to purchase shall be regulated by Annex 3. The attention of the Tenant is drawn to the conditions in Annex 3, including the formalities that will be required to be carried out by the Tenant for the validity of the option to purchase.

(b) Insofar as concerns those Premises in respect of which the Tenant does not have an option to purchase, the Tenant shall not have an option to purchase, consequently Annex 3 is not applicable to these Premises, and therefore there is no Annex 3 attached to the Lease in so far as these Premises are concerned.

ARTICLE 17

GENERAL PROVISIONS

17.01. Signage.

Tenant will not place, maintain, or permit any sign, advertising matter, decoration, or lettering on any exterior wall, door, or window of the Premises that is not in keeping with a premises of a high standard.

17.02. Severability.

The invalidity or unenforceability of any provision of the Lease shall in no way affect the validity or enforceability of any other provisions hereof.

17.03. Interest on late payments.

Except as expressly herein provided, any amount due to Landlord not paid when due shall bear interest at the highest rate allowed by Maltese law from the date payment becomes first due. Payment of such interest shall not excuse or cure any default by Tenant under this Lease.

17.04. Time of Essence.

Time is of the essence in performance of all obligations falling due hereunder.

17.05. Entire Agreement; Amendments.

This Lease contains all agreements of the Parties with respect to any matter mentioned herein. No prior agreements or understandings pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the Parties at the time of modification.

17.06. Notices.

Any notice required or permitted to be given hereunder, shall be in writing and may be served personally or by registered mail, return receipt requested, addressed to Landlord and Tenant respectively at the respective registered office. Such notices shall be effective upon delivery. Notice may also be given by judicial letter, in which case service shall be regulated by the applicable law.

Either Party may, by like notice to the other Party, at any time and from time to time, designate a different address to which notices shall be sent.

17.07. Waivers.

No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by the Tenant. The acceptance of Rent hereunder by Landlord shall not be a waiver of any preceding breach by Tenant of any provision hereof, other than the failure of Tenant to pay the particular Rent so accepted, regardless of whether or not the Landlord will have known of such preceding breach at the time of acceptance of such Rent.

17.08. Cumulative Remedies.

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law.

17.09. Joint and Several Liability.

If more than one party shall execute this Lease as Tenant, such parties shall have joint and several liability for all obligations of Tenant set forth herein or at law.

17.10. Arbitration.

In the event of any dispute relating to this Lease, the Parties hereto shall make every effort to settle amicably. If no settlement is reached within thirty (30) days from the date on which the difference or dispute shall have arisen, the difference or dispute shall be settled by arbitration in accordance with the provisions of Part IV of the Arbitration Act 1996 and the Arbitration Rules of the Malta Arbitration Centre shall apply. There shall be one arbitrator who shall be appointed by the Chairman of the Malta Arbitration Centre in the event that the Parties fail to

agree on an arbitrator between them within ten (10) days from one Party calling on the other for such purpose.

The Parties unconditionally and irrevocably agree to submit any dispute, controversy or claim arising out of or relating to this Lease, or the breach, termination or invalidity thereof to final and binding arbitration in terms of the Arbitration Act as aforementioned.

17.11 Governing Law

This Lease shall be governed and construed in all respects in accordance with Maltese Law.

Signed on the day first written above in two (2) originals, one for each of the Parties.



LANDLORD

TENANT

ANNEX 1To the lease of premises: **Birkirkara Old Exchange****LEASE DATA & SPECIAL CONDITIONS****LEASE DATA**

Item No.	Item Name	
1	Premises	The building currently used as the Birkirkara Exchange situated in Triq Salvu Psaila, Triq Borg and Triq il-Fniek, Birkirkara, built on a site with a superficial area of approximately 3,660m ² and having a rentable (or otherwise usable) Gross Internal Area of approximately 2,800m ² and an external area being outbuildings, driveway and yard and outlined in red on the attached plan/s marked Annex 2. These Premises exclude land having an area of approx. 628m ² and overlying buildings, being the west block on the site ("West Block") , earmarked for the construction of the New Birkirkara Exchange.
2	Rent (Initial)	Initial Rent of three hundred and thirty thousand Euro (€330,000) per annum together with the applicable VAT. Tenant shall, in addition, pay the once-only charge for the occupation of the West Block (as defined herein), as provided in clause 6 of the Special Conditions of this Annex 1.
2A	First Rent Review Date	1 st January 2016
3	Lease Commencement Date	1 st January 2015
4	Term	A period of six (6) years commencing from the Lease Commencement Date subject to a minimum of three (3) years from Handover (as the term is defined in the lease for the Birkirkara New Exchange) of the Birkirkara NEW Exchange from Landlord to Tenant, in which case the Term shall be extended accordingly, and for the avoidance of doubt all the terms and conditions of this Lease (including without limitation the Tenant's obligation to pay Rent) shall continue to apply during such extended Term.
5	Permitted Use of Premises	As predominant use: The use as telephone exchange, call centre and offices.

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6	Insurance - damage to property	Two million Euro (€2,000,000) increasing annually by the Retail Price Index
	Insurance - injury or death to any one person	Two million and three hundred thousand Euro (€2,300,000)

SPECIAL CONDITIONS

Item No.	Item Name	
1	Assignment	Tenant shall not assign or transfer this Lease except with Landlord's prior express written consent, which consent may be withheld by the Landlord in its absolute discretion.
2	Subletting	<p>(a) The Tenant may sublet up to thirty per cent (30%) of the gross internal area of the Premises without requiring the Landlord's consent;</p> <p>(b) The Tenant may permit any person, legal or natural, to make use of or be in possession of all or any part of the Premises, under a gratuitous title;</p> <p>Provided that:</p> <p>(i) the subtenant or other user as provided in paragraph (a) or (b) above shall have no tenancy rights against the Landlord, and the Tenant shall remain solely responsible to the Landlord for all obligations in terms of this Agreement; and</p> <p>(ii) the Tenant shall provide the Landlord with a copy of the signed agreement (if any) within thirty (30) days of it being signed;</p> <p>(c) The Tenant shall not sublet more than thirty percent (30%) of the gross internal area or any of the unbuilt area of the Premises, except with Landlord's express written consent, which consent may be withheld by the Landlord in its absolute discretion.</p> <p>(d) Nothing in this Lease shall in any way prohibit any change in the Tenant's shareholders or any transfer of the actual controlling power of the administration of the Tenant. Any such change or transfer shall not be deemed to be a sublease and shall not bring about the termination of the Lease.</p>
3	Tenant's Right to Purchase	Not Applicable
4	Early	Tenant has the right to terminate the lease at any time during the Term by

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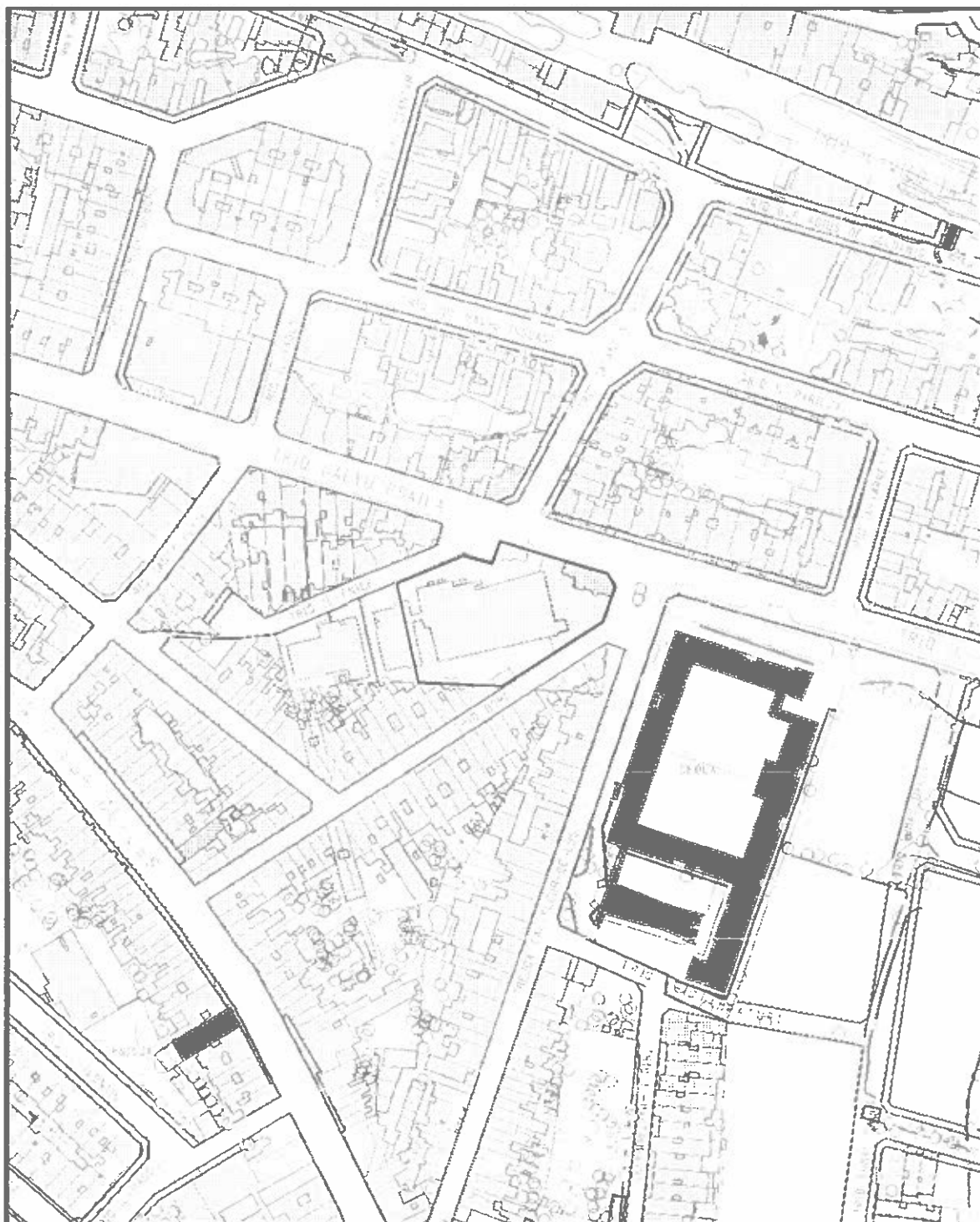
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	Termination By Tenant	giving advance notice of three (3) months in writing to the Landlord.
5	Tenant's right to Additional Period	Not Applicable
6	Tenant's right to temporary use of West Block	<p>(i) The Tenant is in occupation of the West Block.</p> <p>(ii) The Landlord grants the Tenant the right to continue to occupy the West Block and to continue to make the same uses of it, until the Landlord requires to re-take vacant possession of the West Block for the aforementioned purpose and sends notice to the Tenant as stated in paragraph (iv).</p> <p>(iii) For this occupation of the West Block, the Tenant shall pay to the Landlord a once-only charge of one hundred and twenty thousand Euro (€120,000), together with any applicable VAT. The payment shall be due within thirty (30) days of receipt by the Tenant of the relative invoice. This amount shall be invoiced by the Landlord through five quarterly instalments starting on 1st January 2015 and ending on 31st March 2016.</p> <p>(iv) The Landlord shall be entitled to send notice to the Tenant at any time (which time is not envisaged to be later than thirtieth (30th) June 2016) requiring the Tenant to surrender vacant possession of the West Block in favour of the Landlord.</p> <p>(v) The Tenant shall surrender vacant possession of the West Block by not later than three (3) months from receipt of such notice. The Tenant acknowledges that any delay in surrendering the West Block beyond the aforementioned three (3) months will cause the Landlord serious prejudice, and the Tenant shall be liable towards the Landlord for any damages suffered by the Landlord in the event of any delay by the Tenant as aforesaid.</p>

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4/1

500m



0m

Min Easting 52299.98, Min Northing 72213.18, Max Easting 52699.98, Max Northing 72713.18

0m

400m

MEPA - www.mepa.org.mt

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Site Plan, Scale 1:2500

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Not to be used for interpretation or scaling of scheme alignments
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BKE Property Company Limited ("the Company")

GO, Fra Diegu Street, Marsa MRS 1501

Company Registration Number C 54591

Certified True Extract from the minutes of a meeting of the Board of Directors held at the registered office of the Company.

Quote

It is resolved that Mr. Nikhil Patil holder of British Passport number 518174825 is vested with the Company's judicial and contractual representation.

Unquote

Certified true copy this 13th day of October 2015



**Dr. Francis Galea Salomone LL.D.
Company Secretary**



GO plc ("the Company")

Company Registration Number C 22334

Certified True Extract from the minutes of a meeting of the Board of Directors held at the registered office of the Company.

Quote

It is resolved that Mr. Yiannos Michaelides holder of Cypriot Passport no. K00012238 is vested with the Company and its subsidiaries' judicial and contractual representation.

Unquote

Certified true copy this 13th day of October 2015

Dr. Francis Galea Salomone LL.D.
Company Secretary



COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Malta Properties Company p.l.c. (the “Company” or “MPC”) pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta), as amended from time to time.

Quote

Promise of Sale Agreement – Birkirkara Property

By virtue of an agreement dated 28 September 2021, BKE Property Company Limited, a company registered in Malta bearing registration number C 54591 and with registered office at Triq Emvin Cremona, Floriana FRN 1281, Malta (“BKE”), being a wholly owned subsidiary of the Company and in the business of property acquisition, disposal, development and management, entered into a promise of sale agreement (the “Agreement”) with Excel Investments Ltd, a limited liability company registered in Malta with registration number C 81721, having registered office at 72, Triq Mattia Preti, Victoria, Gozo (the “Purchaser”), whereby BKE promised and bound itself to sell and transfer to the Purchaser the complex, without official number, in Triq Salvu Psaila corner with Triq Borg and with Triq Il-Fniek, within the area known as “Tal-Briegex” at Birkirkara including all the buildings and other improvements all without official number, as well as the outside areas and with all its rights and appurtenances including its overlying airspace and its underlying terrain, free and unencumbered with all its rights and appurtenances (the “Property”). The Property shall be sold and purchased tale quale.

The consideration for the sale and purchase of the Property is eight million euro (EUR 8,000,000) payable as follows:

- (i) eight hundred thousand euro (EUR 800,000) (the “Deposit”) on the execution of the Agreement; and
- (ii) the balance, amounting to seven million two hundred thousand euro (EUR 7,200,000) in full and final settlement of the consideration on the deed of sale.

The Deposit does not constitute the giving of an earnest and consequently, neither of the parties are at liberty to recede from the Agreement. The parties also agreed that:

- (i) the Purchaser shall be entitled to a refund of the Deposit should it not appear for the publication of the deed of sale or terminate the Agreement for a valid reason as contemplated in the Agreement or for any other reason valid at law;

- (ii) should the Purchaser fail to appear for the publication of the deed of sale or otherwise terminate the Agreement for no reason or for a reason that is not valid in terms of the Agreement or at law, BKE shall have the option to either demand pre-liquidated damages, which have been quantified, or to proceed against the Purchaser for specific performance in the manner stipulated by Article 1357 of the Civil Code, Chapter 16 of the Laws of Malta (the "Civil Code");
- (iii) in the event that BKE fails to appear for the publication of the deed of sale or fails to complete its obligations arising under the Agreement for no reason or for a reason that is not valid in terms of the Agreement or at law, the Purchaser shall have the right to proceed against the Vendor in the manner stipulated by Article 1357 of the Civil Code.

The Agreement shall remain valid and effective for a period of twelve (12) months from the date of the Agreement.

Notary Dr Roberta Buttigieg Simiana was appointed by the Company and Purchaser to register the Promise of Sale Agreement with the Inland Revenue Department.

Upon publication of the Deed of Sale, the Property will no longer form part of the Company's property portfolio and thereafter, there will be no rental payments received in respect of the Property.

Unquote



Dr. Francis Galea Salomone

Company Secretary

28 September 2021