

**Property Valuation**  
Ref: C00585.01\_20(A)\_2022

**Marsa New Exchange  
Spencer Hill  
Marsa  
Malta**

**17<sup>th</sup> May 2022**



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17<sup>th</sup> May 2022

Our Ref: C00585.01\_20(A)\_2022

**Valuation:** Marsa New Exchange, Spencer Hill, Marsa, Malta

In arriving at the present valuation I have had regard for the matters described here.

The property is freehold. It is leased to and occupied by a Tenant, so that, should the property be sold, any purchaser would acquire free and unencumbered possession thereof, subject to the terms 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 of the property in caption in its current state to be *circa €665,000 (six hundred and sixty five thousand Euro)*.



.....

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

Encl: Valuation Report

17<sup>th</sup> May 2022

Our Ref: C00585.01\_20(A)\_2022

## Valuation Report

1. **Client** Malta Properties Company plc.
2. **Object of Valuation** Marsa New Exchange, Spencer Hill, Marsa, Malta.
3. **Proprietor** MSH Property Company Limited.
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 outgoings;

- 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.

<b>8. Date of Inspection</b>	The property was inspected on the 24 <sup>th</sup> February 2022 in the presence of a representative of the Proprietor.
<b>9. Inspected by</b>	Matthew Vella Critien, for and on behalf of AP Valletta Ltd., as appointed delegate of the undersigned.
<b>10. Purpose of Valuation</b>	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.
<b>11. Description</b>	
<i>Property Type:</i>	The property consists of a recently constructed stand-alone building housing a telecommunications exchange.
<i>Construction Type:</i>	The building is constructed using loadbearing internal and external walls which support reinforced concrete ceiling slabs.
<b>12. Tenure</b>	The property is freehold, as indicated in the copy of the title documents provided by the Client (refer to Annex 5).
<b>13. Occupation</b>	At the time of inspection, the property was occupied by a Tenant – the lease agreement is enclosed at Annex 6. The Lease Commencement date is defined as the date of “Handover, being the date when Tenant obtains electrical power supply from Enemalta adequate for the Permitted Use.” Such date is understood to have been in December

2017. Thereafter, the lease is for a definite period of ten years from such date, with the option for renewal for three further five-year terms, exercisable at the Tenant's discretion. The rent due is fixed for the first year of the lease term, and increases in accordance with the Retail Price Index thereafter.

The tenant enjoys the right, at any time during the last 12 months of the third additional period, to exercise its option to purchase the property at an amount equivalent to the capitalisation at 6.0% of the rent due during such period.

**14. Age** The building, including finishes and services, was completed in 2018.

**15. Location**

*Aspect:* The property lies in a predominantly industrial and commercial area overlooking the Grand Harbour and the Three Cities.

*Surroundings:* The surrounding properties are situated at some distance from the property, and generally consist of commercial premises, most of which are warehouses or offices, both being the predominant commercial use in the area. The area is surrounded also by substantial open space, which during the day is utilised as car parking. At night the area is quite desolate.

*Amenities:* Apart from the close proximity of public transport, no day-to-day amenities are available within the immediate vicinity of the property, which however lies a short walk away from the town of Hamrun. The area offers a number of green areas which are currently being upgraded with works consisting of new footpaths and additional green landscaping. *Triq Spencer* has recently been connected with St. Joseph High Street in Hamrun by means of a pedestrian and cycle friendly footbridge which bypasses the arterial road previously forming a barrier between Marsa and Hamrun. This has improved the access to day to day amenities in the area.

**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** Marsa 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 enclosed at Annex 4.

PART 20A	Space use	Area (m <sup>2</sup> )
<b>Basement</b>	Corridor / culvert	≈ 43
	Cable chamber	≈ 35
	Gas suppression room	≈ 12
	<b>Net Internal Area, NIA</b>	<b>≈ 90</b>
	Stairwell	≈ 18
	Lift	≈ 5
	Walls	≈ 33
	<b>Gross External Area, GEA</b>	<b>≈ 146</b>
<b>Lower Ground Floor</b>	Substation	≈ 42
	MDF room	≈ 49
	Generator room	≈ 28
	<b>Net Internal Area, NIA</b>	<b>≈ 119</b>
	Stairwell	≈ 14
	Lift	≈ 5
	Walls	≈ 49
	<b>Gross External Area, GEA</b>	<b>≈ 187</b>
<b>Upper Ground Floor</b>	Equipment room	≈ 87
	Store	≈ 4
	WC	≈ 4
	<b>Net Internal Area, NIA</b>	<b>≈ 103</b>
	Stairwell	≈ 14
	Corridor	≈ 8
	Lift	≈ 5
	Walls	≈ 28
<b>Total Net Internal Area, NIA</b>		<b>≈ 312</b>
<b>Total Gross External Area, GEA</b>		<b>≈ 483</b>

## 19. The Site

### *Boundaries:*

Site boundaries of the property are clearly defined by party walls all round, with two parts being defined by frontage on public roads.

### *Physical Characteristics:*

The site is situated on 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 by the Proprietor. 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 building has a frontage of approximately 15m on *Triq Spencer* and of approximately 19m on *Triq Nazzjonali*. At its widest, the building is approximately 22m wide by approximately 13.2m deep. The total area of the site in question is approximately 188.8m<sup>2</sup>.

**Easements:** As indicated by the Client, the property is subject to the following burdens and rights: the property includes an Enemalta substation on the site. No signs of any other easements or burdens were observed. The Client has no knowledge of the existence of any other easement.

**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

The roads upon which the site has frontage are made up and surfaced with tar macadam and are generally in a very good state of repair. Adjacent roads are also made up and surfaced.

## 21. Planning Considerations

The property falls under the requirements of the Grand Harbour Local Plan (GHLP) published by the Malta Environment and Planning Authority (MEPA), which has now been succeeded by the Planning Authority (established in 2016).

Policy May 12 of the GHLP, designates the site of the property under valuation as a zone for the “Retention of Existing or More Environmentally Friendly Uses”. The indicated zone in the Policy May also includes existing oil bunkering facilities located a short distance away from the site in question, which may explain the desire of the policy to encourage relocation of these said facilities, rather than specific reference to the office function of the site. For the purposes of this valuation, the current use of the site is considered to be acceptable from a planning policy point of view.

Policy Map 13 of the same local plan sets the height limitation to 3 storeys per frontage, as further defined by the Development Control Design Policy, Guidance and Standards 2015.

It is interesting to note that the site is surrounded by areas of open space which are regulated by policy GM12 of the said local plan. This policy states that: *Development of these areas for any purpose which is in conflict with their present use, that is for the enjoyment by the general public*

for outdoor recreation on a non-commercial basis, will not be permitted.

The Marsa Transport Strategy defines *Triq il-Moll tal-Ħatab* and *It-Telgħa ta' Spencer* as local access roads, whilst *Triq Nazzjonali* is an arterial road.

The following applications for planning permission were traced on the Planning Authority website:

- **PA/08794/21:** To sanction changes from PA/03461/15 including changes to façade apertures, internal walls and doors, room uses, HVAC plant location, roof screen for HVAC plant, maintenance access stairs (*Approved, Decision Press Date 16 February 2022*)
- **PA/03461/15:** Demolition of existing single storey ancillary buildings adjacent to existing telephone exchange and office block, and the construction of a basement level housing the cable chamber / entry, serving a lower ground floor and upper ground floor of a new telecommunications exchange (*Approved, May 2016*)

The approved documents for PA/08794/21 are enclosed at Annex 4. It is to be noted that there does not appear to be any enforcement action on the property.

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

**23. Building Services** This is not a condition report. A visual inspection has been made of the readily accessible services. No tests have been made.

Water Services	Description and Notes
1st class water supply	Government mains
1st class storage	Water tank
2nd class water supply	Not available
Rainwater storage	Not available
Fire-fighting system	Available
Soil water treatment	Not available
Soil water disposal	Main sewer
Electrical/ELV services	Description and Notes
Main power supply	National grid
Essential power supply	Available
Alternative power supply	Available
Intruder detection	Available
Intruder alarm system	Available

Fire detection system	Available
Energy saving system	Not recorded
<b>Other services</b>	<b>Description and Notes</b>
Lifts	Available
Air-conditioning system	Available
Central heating	Not available
Under-floor heating	Not available
TV services	Not recorded
Telephone service	Available

#### 24. 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 by visual inspection:

The structure appears to be in a good condition throughout. Externally, one façade is plastered and painted and the other two have a fair faced masonry finish – the facades appear to be in need of some maintenance. External apertures are a mix of steel access doors and aluminium glazed apertures with aluminium louvers. Internally, walls and ceilings are plastered and painted. Floors are a mix of ceramic tiles and vinyl.

Workmanship is of a good quality throughout. All the building services described above appear to be in good working order.

#### 25. Valuation methodology

The market value of commercial property is calculated on the basis of the income approach. In this valuation the Discounted Cash Flow calculation has been applied. This method is based on a yield during a period under review of 10 years. The yield is realised by making an investment on the date of valuation in order to subsequently receive cash flows during the period under review. The discount rate for subject property is equal to 5.25% which is estimated on the basis of the yield on long-term government bonds (risk-free return), increased by a risk premium that depends on the degree of risk of the property sector, the investment risk of the immovable property itself and the rate of inflation.

The cash flows consist of projected rental income less loss of rental income, rental tax, rental costs for vacancy, overdue maintenance, any renovation costs and a final value at the end of the period under review. The operating costs are deducted from the annual income. During the

period under review concerned, account is taken of periodic price increases such as the indexation of the rent and cost increases. The expected market rent is likewise subject to inflation. The final value is determined on the basis of the cash flow and an expected exit yield in year 11.

## 26. 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.



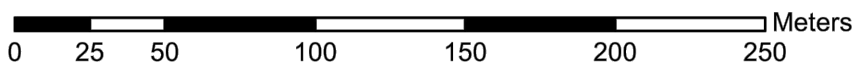
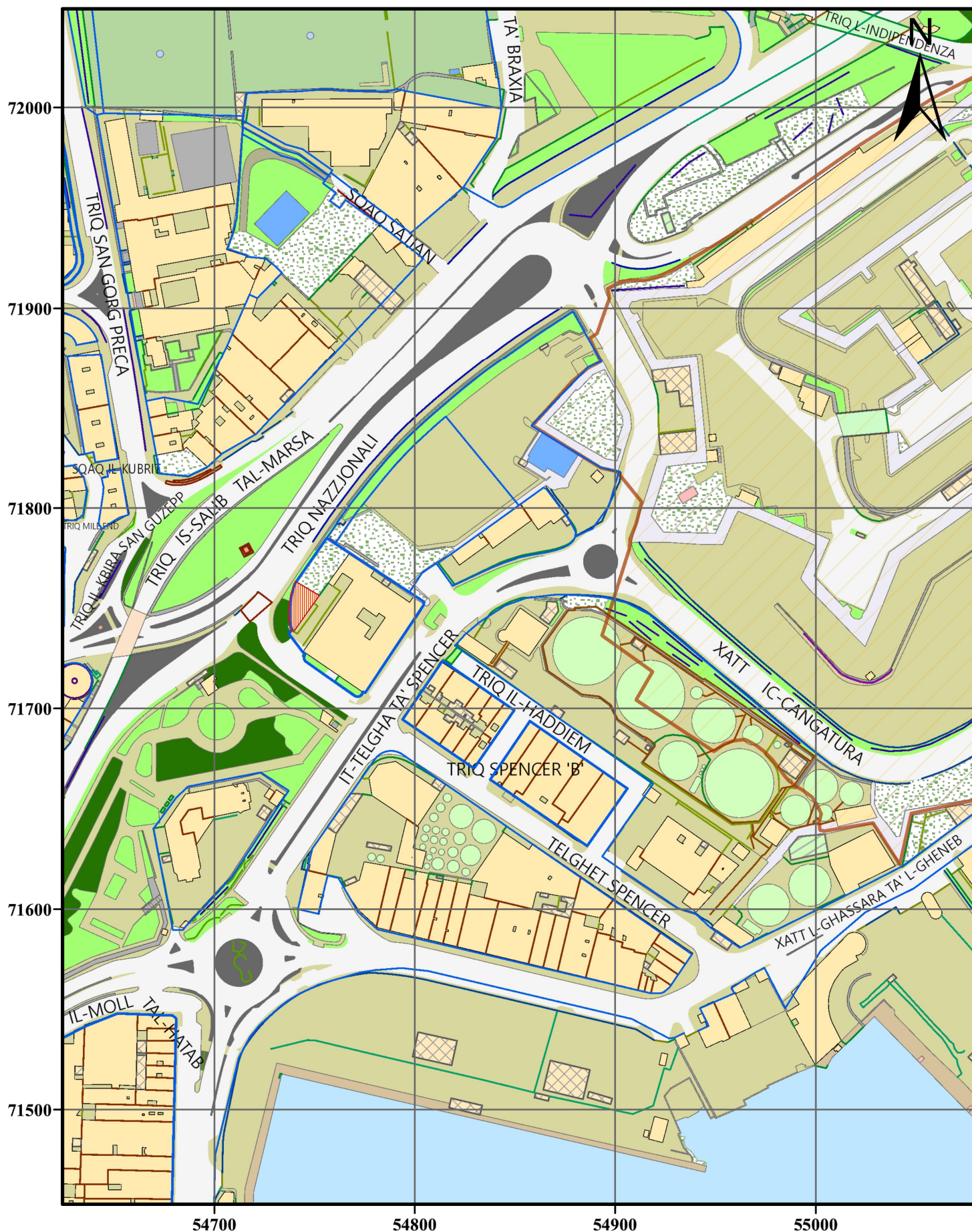
David Felice  
o.b.o. AP Valletta Ltd.



**Annexes:**

1. Site plan, 1:2500
2. Photographs
3. Extracts from Grand Harbour Local Plan
4. Planning permit and permit drawings – PA/08794/21
5. Title deed
6. Lease agreement – Part 20A





**1:2,500**

**Date Printed: 03/11/2020**

**Public Geoserver**

Compiled for and published by the Mapping Unit, Planning Authority ©PA.  
 Not for resale. Reproduction in whole or in part by any means is prohibited without  
 prior permission of the Mapping Unit. ERDF.02.030 - SinteGRAM data, (2018),  
 Developing Spatial Data Integration for the Maltese Islands, Planning Authority.  
 Data captured from: 2018 aerial photography. Truncated U.T.M. Coordinates.  
 Levelling Datum M.S.L. (Mean Sea Level).  
 Not to be used for interpretation or scaling of scheme alignments.

**PA**



**PLANNING AUTHORITY**

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[www.pa.org.mt](http://www.pa.org.mt), [mappingshop@pa.org.mt](mailto:mappingshop@pa.org.mt)







project	MALTA PROPERTIES COMPANY PLC. - PROPERTY VALUATIONS										
address	New Marsa Exchange, Spencer Hill, Marsa										
photo sheet no.	1					date of inspection	24.02.2022				
ref no.	C 0 0 5 8 5 . 0 1 _ 2 0 A . 2 0 2 2										





project	MALTA PROPERTIES COMPANY PLC. - PROPERTY VALUATIONS									
address	New Marsa Exchange, Spencer Hill, Marsa									
photo sheet no.	2					date of inspection	24.02.2022			
ref no.	C	0	0	5	8	5	.	0	1	_ 2 0 A . 2 0 2 2



project	MALTA PROPERTIES COMPANY PLC. - PROPERTY VALUATIONS												
address	New Marsa Exchange, Spencer Hill, Marsa												
photo sheet no.	3							date of inspection	24.02.2022				
ref no.	C 0 0 5 8 5 . 0 1 _ 2 0 A . 2 0 2 2												





project	MALTA PROPERTIES COMPANY PLC. - PROPERTY VALUATIONS				
address	New Marsa Exchange, Spencer Hill, Marsa				
photo sheet no.	4	date of inspection	24.02.2022		
ref no.	C	0	0	5	8 5 . 0 1 _ 2 0 A . 2 0 2 2





project	MALTA PROPERTIES COMPANY PLC. - PROPERTY VALUATIONS					
address	New Marsa Exchange, Spencer Hill, Marsa					
photo sheet no.	5	date of inspection	24.02.2022			
ref no.	C	0	0	5	8	5 . 0 1 _ 2 0 A . 2 0 2 2











# GRAND HARBOUR LOCAL PLAN



## AWTORITA TA' L-IPPJANAR PLANNING AUTHORITY

### Key

- 2 Storeys
- 3 Storeys / Frontage
- 4 Storeys
- 5 Storey Frontage
- 6 Storey Frontage
- Planning Gain Considerations (Refer to Policy GM02)
- Planning Gain Considerations (Refer to Policy GM10)

Note : Indicated height limitations are subject to General Policy GS01

### Marsa

## Building Height Limitations

Scale :  
**1:6000**

Date :  
**April 2002**

INDICATIVE ONLY  
Not to be used for direct interpretation.

Base Maps - 1988 Survey Sheets  
Copyright Mapping Unit, Planning Authority

Figure :  
**13**









MSH Property Company Ltd Attn: Mr Mohsin Majid

Date: 4 February 2022  
Our Ref: PA/08794/21

Application Number: PA/08794/21  
 Application Type: Full development permission  
 Date Received: 10 November 2021  
 Approved Documents: PA 8794/21/13A Site plan;  
 PA 8794/21/12A Plans and Section  
 PA 8794/21/12B North and South Elevations  
 PA 8794/21/12C West Elevation  
 PA 8794/21/12D Site Block Plan

Location: GO Exchange, It-Telgha ta' Spencer, Triq Nazzjonali, Marsa  
 Proposal: To sanction changes from PA/03461/15 including changes to façade apertures, internal walls and doors, room uses, HVAC plant location, roof screen for HVAC plant, maintenance access stairs.

### Development Planning Act, 2016 Full Development Permission

The Planning Authority hereby grants development permission in accordance with the application and documents described above, subject to the following conditions:

- 1
  - a) This development permission is valid for a period of FIVE YEARS from the date of publication of the decision in the press but will cease to be valid if the development is not completed by the end of this validity period.
  - b) This permission relates only to the development as specifically indicated on the approved drawings. This permission does not sanction any other illegal development that may exist on the site.
  - c) A Commencement Notice is to be submitted to the Planning Authority, by the perit on behalf of the applicant, at least FIVE DAYS prior to the date of commencement of works or utilisation of the permission. Failure to submit the Commencement Notice (with all fields correctly completed) or failure to submit it within the required timeframe shall invalidate the Notice and shall result in the imposition of fines according to Schedule D of Legal Notice 277 of 2012, or its amendments, or its replacements. In addition, **if the applicant fails to submit the Commencement Notice or the Commencement Notice submitted is invalid, the relative permission shall be considered as never having been utilised** - Article 72(4) of the Development Planning Act (2016).
  - d) Copies of all approved drawings and documents shall be available for inspection on site by Planning Authority officers at all reasonable times.

PA/08794/21

e) The development shall be carried out in complete accordance with the approved drawings, documents and conditions of this permission. Where a matter is not specified, then the conditions of this permission and of Development Control Design Policy, Guidance and Standards 2015 shall apply.

f) Before any part of the development hereby permitted commences, the enclosed green copy of this development permission shall be displayed on the site. This must be mounted on a notice board, suitably protected from the weather and located not more than 2 metres above ground level at a point on the site boundary where it is clearly visible and can be easily read from the street. The copy of the permission must be maintained in a good condition and it shall remain displayed on the site until the works are completed.

g) All building works shall be erected in accordance with the official alignment and official/existing finished road levels as set out on site by the Planning Authority's Land Surveyor. A Setting Out Request must be submitted to the Land Survey Unit of the Planning Authority, prior to the commencement of works on site, when the setting out of the alignment and levels is required.

h) Where an officially schemed street, within the development zone, bordering the site is unopened or unformed, it shall be opened up and brought up to its proper, approved and official formation levels prior to the commencement of any development hereby being permitted.

i) No steps, ramps or street furniture are to be constructed on or encroached onto the public pavement or road.

j) Any doors and windows, the lower edge of which is less than 2m above road level, and any gates shall not open outwards onto a public pavement or road.

k) Where present, window grilles (including 'pregnant' windows), sills, planters and other similar elements which are part of or fixed to the facade of buildings, the lower edge of which is less than 2 metres above road level, shall not project more than 0.15 metres from the facade over a public pavement or street.

l) Air conditioning units shall not be located on the facades of the building which are visible from the street or a public space.

m) There shall be no service pipes, cables or wires visible on the front elevation or on any other elevations of the building which are visible from the street or public space.

2 The approved premises shall be used as indicated on the approved drawings or as limited by any condition of this permission. If a change of use is permitted through the Development Planning (Use Classes) Order, 2014 (or its subsequent amendments), and it is not restricted by a condition of this permission, approval from the Commission for the Rights of Persons with Disability may still be required. Reference needs to be made to PA Circular 3/10 (with the exception of Appendix A), PA Circular 2/14 and their subsequent amendments.

3 No approval is hereby granted for the display of any sign or advertisement. This must be subject of a separate application.



- 4 The development hereby permitted shall be subject to Compliance Certification, verifying that the development has been carried out in full accordance with the approved drawings, documents and conditions imposed in this development permission, except where such conditions are enforced by other entities. Prior to the commencement of use or prior to the issue of any compliance certificate on the whole or any stand-alone planning unit of the development hereby approved, the applicant shall submit to the Planning Authority, in relation to the whole or that unit of the development:

(i) clearance from the Commission for the Rights of Persons with Disability verifying that the development fully satisfies the accessibility standards and/or any conditions imposed by the Commission.

*Note: Should a compliance certificate be requested for a planning unit not comprising the whole approved development, a Bank Guarantee of € 10,000 shall apply to ensure that CRPD clearance is obtained.*

In terms of Article 72(3) of the Development Planning Act, 2016, the execution and validity of this permission is automatically temporarily **suspended** and no works as approved by the said development permission may commence before the lapse of the time period established in Article 13 of the Environment and Planning Review Tribunal Act. In the event that an application is submitted before the Environment and Planning Review Tribunal requesting the suspension of the execution of the permission, this permission will remain so suspended until the Tribunal otherwise decides in accordance with the Environment and Planning Review Tribunal Act.

Where the approved drawings and/or documents are dimensioned, then the declared dimensions shall prevail over the actual size as depicted on the approved drawings and/or documents.

Developers are advised to check the invert level to the sewer main with the Water Services Corporation as they would have to make their own arrangements where a gravity service connection is not possible. In these cases, the architect has to indicate the solutions envisaged and to indicate on the plan what needs to be carried out and obtain approval from WSC. Developers are further reminded that connection of storm water into main sewers is not allowed.

If the declaration of ownership, as contained in the application form, is determined as incorrect by a Court of Law, then the said Court of Law can declare this development permission as null and void. This development permission does not remove or replace the need to obtain the consent of the land/building owner to this development before it is carried out. Furthermore, it does not imply that consent will necessarily be forthcoming nor does it bind the land/building owner to agree to this development. Where the land/building is owned or administered by the Government of Malta a specific clearance and agreement must be obtained for this development from the Land and/or Estate Management Departments.

This development permission is granted saving third party rights. This permission does not exonerate the applicant from obtaining any other necessary permission, license, clearance or approval required from any Government department, local council, agency or authority, as required by any law or regulation.

This development permit does not authorise any storage of substances listed in Occupational Health and Safety Authority Act (Cap. 424) - Control of Major Accident Hazards Regulations, 2003, as amended, in quantities that would render this site an establishment within scope of these regulations. The storage and handling of said substances may require a new or amended development permission in line with current policies and regulations.

For any non-residential uses hereby being approved, prior to commencement of any works on site or any eventual permitted change of use, the applicant shall be required to contact the Environment and Resources Authority to obtain any necessary operational permit or registration. This requirement does not apply to Class 2B, 2C, 4A and 4B uses as listed in the Development Planning (Use Classes) Order 2014, or its subsequent amendments.

**This decision is being published on 16 February 2022.**

Lorna Vella  
Secretary Planning Commission  
Within Development Scheme

## Notes to Applicant and Perit

### Right for reconsideration

Where applicable, you have a right to submit a request for reconsideration to the Authority in terms of regulation 14 of Legal Notice 162 of 2016.

### Right for appeal

You have a right to submit an appeal, against the decision, to the Environment and Planning Review Tribunal in terms of Article 13 of the Environment and Planning Review Tribunal Act, 2016.

### Time limits

Requests for reconsideration or appeals must be made within 30 days from the publication of the decision notification in the local press as required by regulation 14(1) of Legal Notice 162 of 2016.

### Fees to submit a request for reconsideration or appeal

In either case, there is a fee to be paid which should accompany the request for reconsideration or the appeal. The fees are as follows:

For reconsideration - 3% of the Development Permit Fee paid in respect of the original application, subject to a minimum of €69.88.

For appeal - 5% of DPF (Development Permit Fee) paid in respect of the original application, subject to a minimum of €150 + €50 administrative fee (LN 112 of 2016).

### Submission of request for reconsideration or appeal

With regards to requests for reconsideration, Form PA 4/16 must be used for submission. All fields of the Form must be filled in as appropriate. Requests for reconsideration can only be submitted electronically.

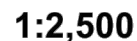
With regards to appeals, as required by Article 13 of the Environment and Planning Review Tribunal Act, 2016, the submission must include the detailed grounds for appeal and the requests being made by the appellant. Appeals must be submitted physically at the offices of the Environment and Planning Review Tribunal, St. Francis Ditch, Floriana.

# Important Notice

**In view of the provisions of Article 72(4) of the Development Planning Act (2016), a Commencement Notice is to be submitted to the Planning Authority, by the perit on behalf of the applicant, at least FIVE DAYS prior to the date of commencement of works or utilisation of the permission. Failure to submit the Commencement Notice (with all fields correctly completed) or failure to submit it within the required timeframe shall invalidate the Notice and shall result in the imposition of fines according to Schedule D of Legal Notice 277 of 2012, or its amendments, or its replacements. In addition, if the applicant fails to submit the Commencement Notice or the Commencement Notice submitted is invalid, the relative permission shall be considered as never having been utilised.**

-PADCN-





PA



**PLANNING AUTHORITY**  
St. Francis Ravelin, Floriana.  
Tel: +356 2290 0000, Fax: +356 2290 2295  
[www.pa.org.mt](http://www.pa.org.mt), [mappingshop@pa.org.mt](mailto:mappingshop@pa.org.mt)

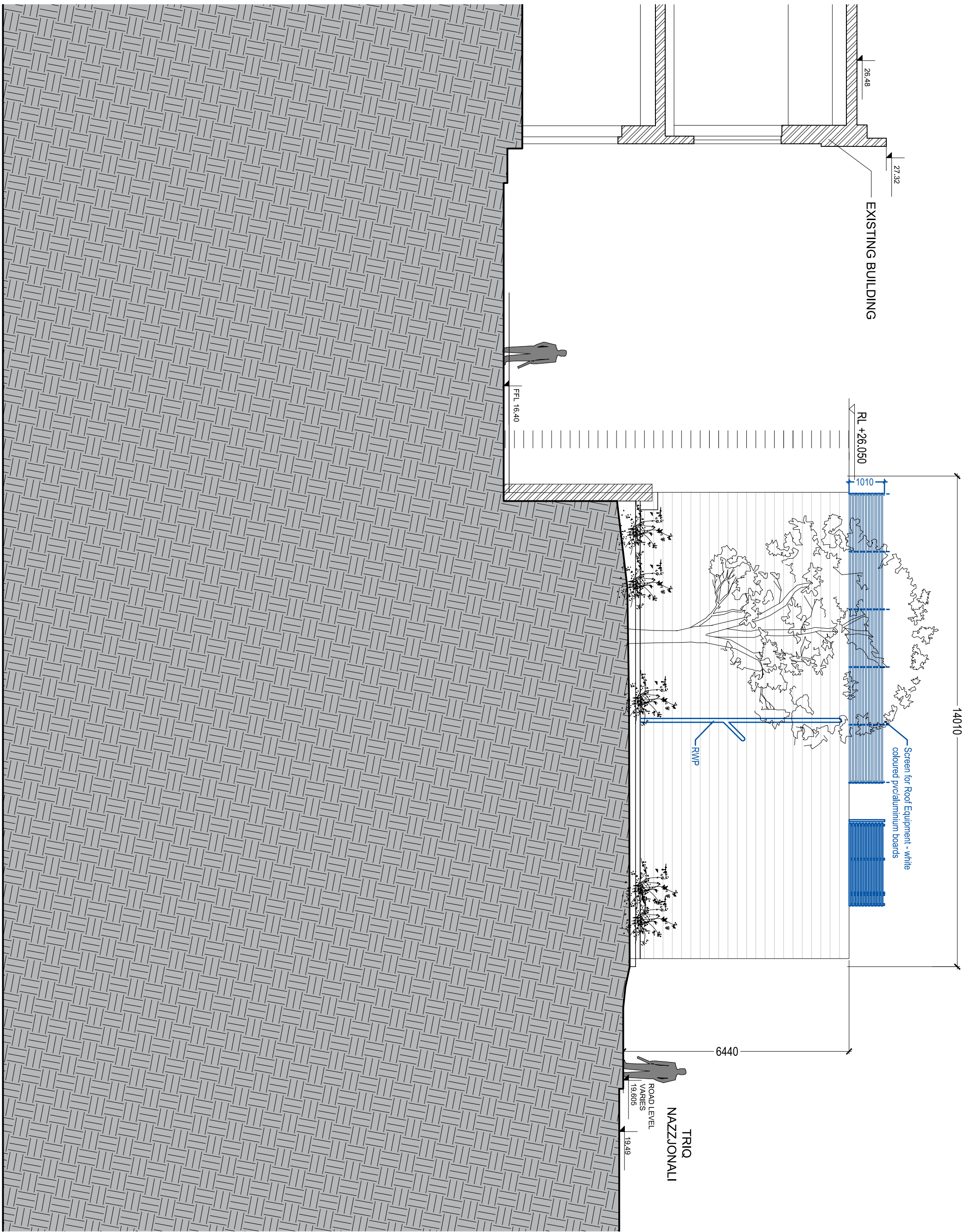




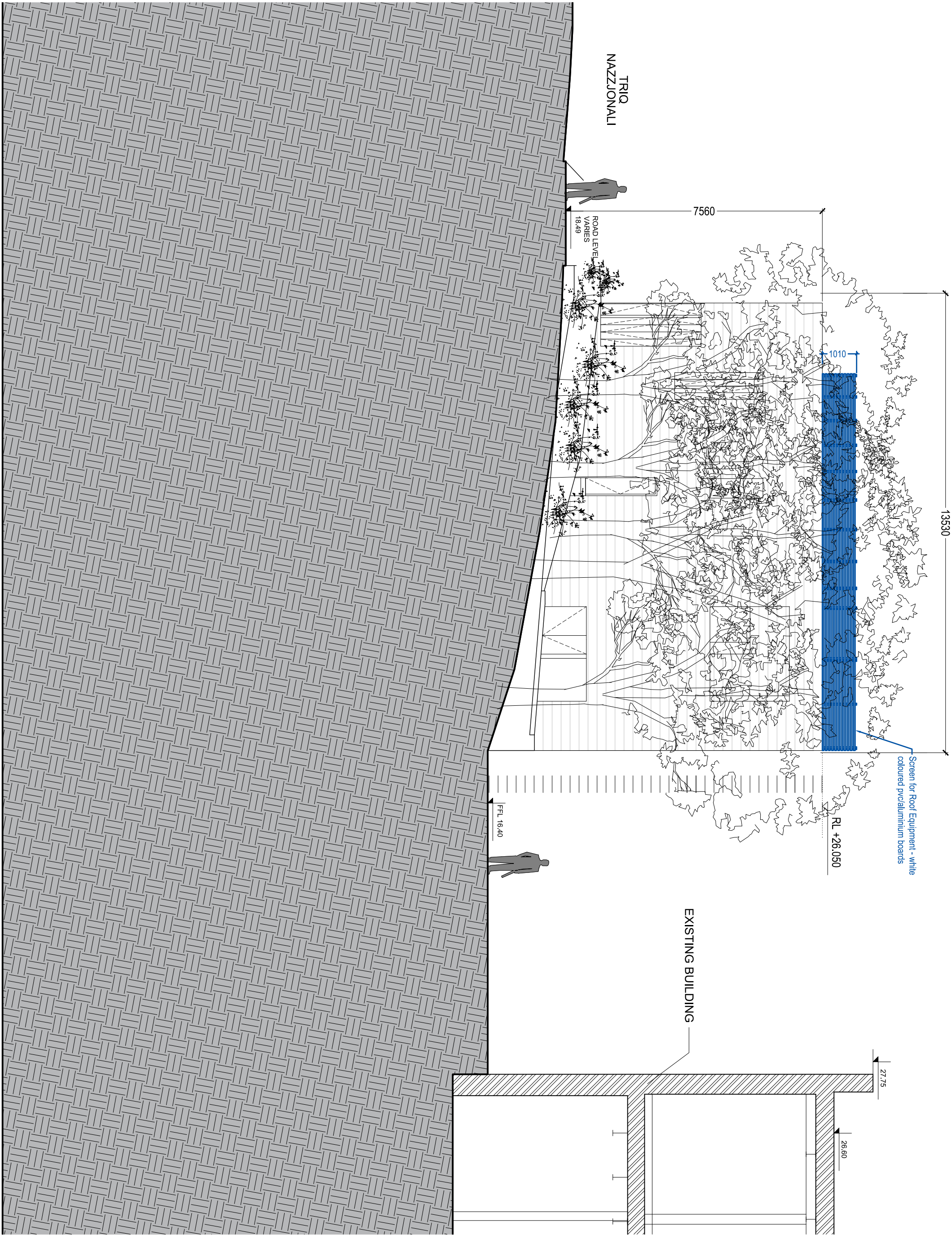
ARCHITECTURE PROJECT  
45appesrtriedvalletta.vi/1320 maila (tel) +509.2124.3861  
fax +509.2124.3897 info@ap.com.mt



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1 PROPOSED NORTH ELEVATION



2 PROPOSED SOUTH ELEVATION

Legend

Commission (Summary Process) - Approved

TO BE CONSTRUCTED

TO BE DEMOLISHED

TO SANCTION AS BUILT

NOT BUILT

MARSA, SPENCER HILL, GO EXCHANGE				revisions	
project	address	client	drawn	ref	date
SPENCER HILL, MARSA		GO	ES	a	3 JUN 15
PROPOSED NORTH & SOUTH ELEVATION				b	29 JAN 16
				c	19 FEB 16
				d	10-08-2017
				e	31-07-2020
				f	08-11-2021
				scale	1:100

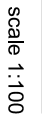
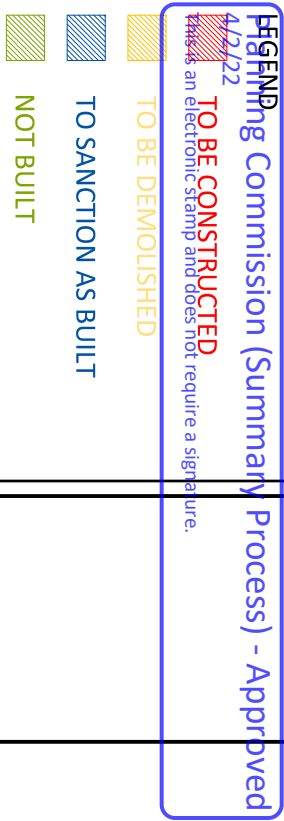
AP

ARCHITECTURE PROJECT

4 nappiers street valletta vlt 1320 malta tel: +356 2124 3981 fax: +356 2124 3987 info@ap.com.mt

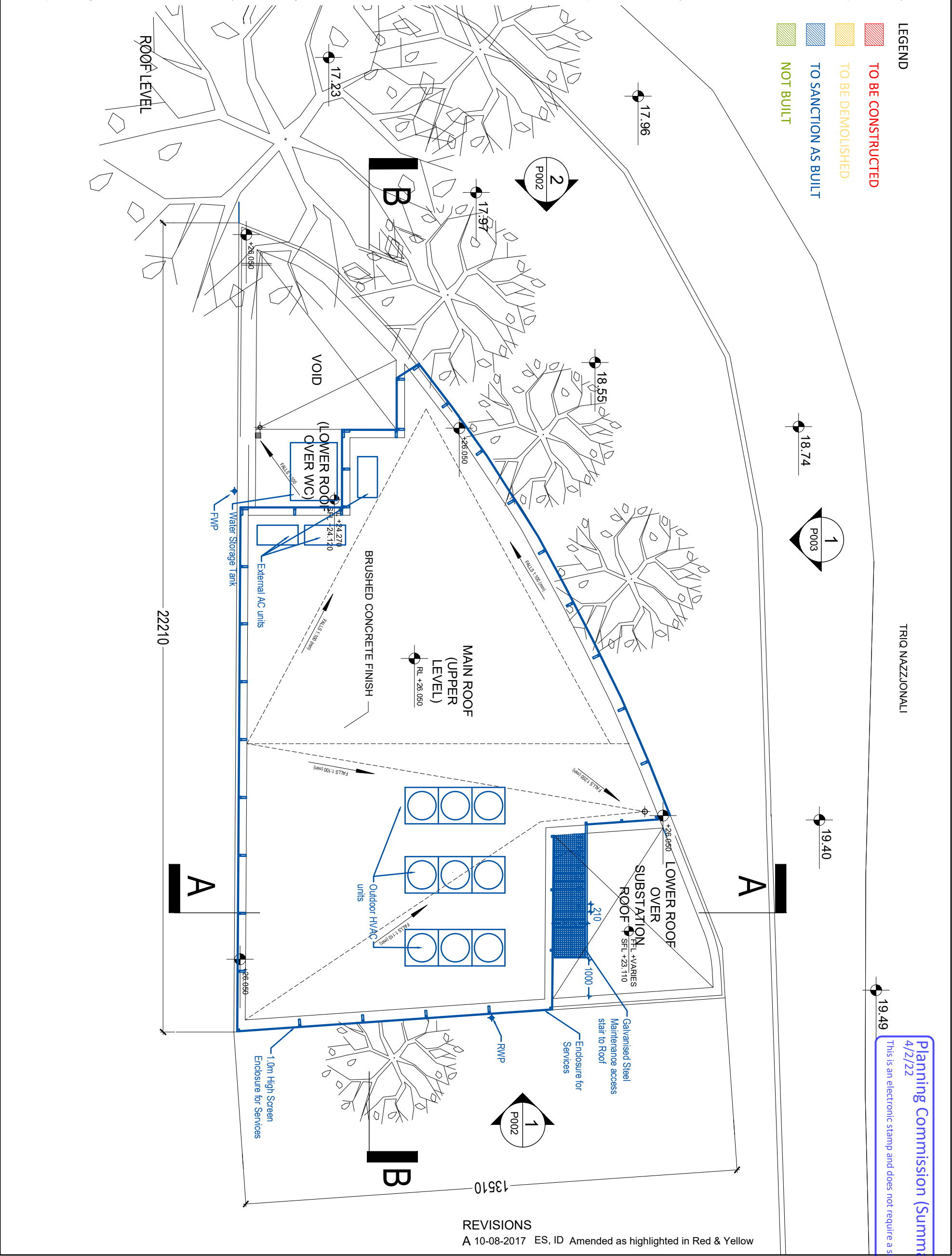
0 1 2 3 4 5 10m  
scale 1:100







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project	MARSA, SPENCER HILL, GO EXCHANGE			drawn	DS
address	SPENCER HILL, MARSA	client	G0	architect	DD
drawing	SITE BLOCK PLAN			date	28/01/2016
dwg no.	C 0 0 0 2 8	A	Exch	P	0 0 4 B
				scale	1:100 @ A3



This the twenty fifth day of  
November of the year two  
thousand and eleven.

No. 102.

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:

David Kay, chief executive officer, son of George Kay and  
of Kathleen nee Lawlor, born in Oldham, United Kingdom  
and residing at Oldham, United Kingdom, holder of  
Maltese identity card number 0040003A, 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. \_\_\_\_\_  
2011  
(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 "MSH Property Company Limited" a limited  
liability company registered in Malta with registration  
number letter C five one four nine one (C51491) 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 known as the "Marsa Central Exchange", without official number in It-Telgha Ta' Spencer (also known as Spencer Hill) at Marsa (on official maps at times indicated as being in the limits of Floriana), consisting of a fully detached building with surrounding grounds and outbuildings situated therein all without official number, collectively bounded on the South West by It-Telgha Ta' Spencer, on the North West by Triq Nazzjonali, on the East and South East by a public road which is a prolongation of Il-Moll Tal-Hatab and on the North and North East by property belonging to the Government of Malta, with all its rights and appurtenances including its overlying airspace and its underlying terrain, as free and unencumbered; which complex is shown hatched in red transversal lines on the plan annexed to this deed as a document marked with the letter "C" (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 five million eight hundred and fifty seven thousand euro (EUR5,857,000) (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 or any one of them 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) 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

Property was transferred to and vested in Telemalta Corporation in absolute ownership without the need of any other formality.

(b) 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 Property, 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.

(c) 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.

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 eleven stroke one thousand seven hundred and eighty six (IR(S) 2011/1786), 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 one stroke sixty one (AIP2011/61) 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 eight zero zero zero five two six (18000526).

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.

David Kay.  
Edmond Brincat.  
Not. Pierre Attard,  
Notary Public,  
Malta.

A true copy of the Original deed in my Records issued today the  
5<sup>th</sup> December 2011.  
Quod Attestor.

Not. Pierre Attard LL.D., Notary Public, Malta.  
15/10, Vincenti Buildings, Strait Street, Valletta VLT1432, Malta.  
Tel. 21224892/21232740 Fax. 21245922



**Company Registration Number C 22334**

### Quote

The Directors reviewed the draft notarial deed of sale attached herewith and marked Document "A" (the "**Notarial Deed**") by virtue of which it is proposed that the Company sells and transfers the complex known as the "Marsa Central Exchange", without official number in It-Telgha ta' Spencer (Spencer Hill) at Marsa (the "**Property**") to MSH Property Company Limited ("**MSH**") which desires to purchase and acquire the Property at the price and upon the terms and conditions therein set out.

1. That it would be in the best interests of the Company for the Company to sell and transfer the Property to MSH for the price and upon the terms and conditions set out in the Notarial Deed;
2. That the Company sells and transfers the Property to MSH for the price and upon the terms and conditions set out in the Notarial Deed (including the granting of a warranty of the peaceful possession of the Property by means of a general hypothec on all the Company's property present and future);
3. That Mr. David Kay and/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 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.

Certified true copy this 25<sup>th</sup> day of November 2011

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

Postal Address: PO Box 40, Marsa MRS 1001 Malta  
Registered Address: GO plc, Fra Diegu Street, Marsa MRS 1501 Malta  
+356 2121 0210 +356 2594 5895 info@go.com.mt go.com.mt  
Company Registration Number: C 22334 VAT Number: 1282 6209

MADE FOR ~~VIDEO~~

3

**MSH PROPERTY COMPANY LIMITED**  
**Company Registration No C 51491**  
**(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*

**BACKGROUND**

The Directors reviewed the draft notarial deed of acquisition attached herewith and marked Document "A" (the "**Notarial Deed**") by virtue of which it is proposed that the Company purchases and acquires the complex known as the "Marsa Central Exchange", without official number in It-Telgha ta' Spencer (Spencer Hill) at Marsa (the "**Property**") from GO p.l.c. ("**GO**") which desires to sell and transfer the Property at the price and upon the terms and conditions therein set out.

**IT IS RESOLVED:**

1. That it would be in the best interests of the Company for the Company to purchase and acquire the Property from GO for the price and upon the terms and conditions set out in the Notarial Deed;
2. That the Company purchases and acquires the Property from GO for the price and upon the terms and conditions set out in the Notarial Deed;
3. That Mr. Edmond Brincat and/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 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***

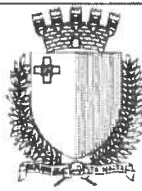
Certified true copy this 25<sup>th</sup> day of November 2011



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



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

TELEPHONE: 21220481  
Direct Office : 22998139  
Email: [ivan.portelli@gov.mt](mailto:ivan.portelli@gov.mt)

Date: 20<sup>th</sup> April, 2011  
Ref: IR(S) 2011/1786

Mr. Bernard Attard

PricewaterhouseCoopers  
167 Merchants Street,  
Valletta.

**Re: Transfer of Immovable Property by GO p.l.c (C22334) to MSH Property Company Limited (C51491) - Certificate for Purposes of Article 32(6) of the Duty on Documents and Transfers Act, Chapter 364.**

Please refer to letter dated 7<sup>th</sup> April, 2011 regarding the request for exemption between the captioned companies.

On the strength of the Memorandum and Articles of Association of GO p.l.c (C22334) and MSH Property Company Limited (C51491), 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 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 (C22334) to MSH Property Company Limited (C51491) :

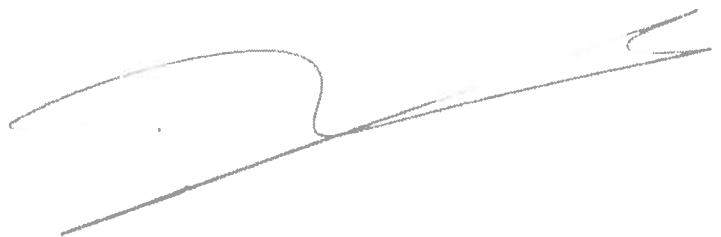
Vide Appendix A

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

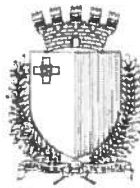
## Appendix A

### **Marsa Central Exchange, Spencer Hill, Marsa**

The complex known as the "Marsa Central Exchange", without official number in It-Telgha Ta' Spencer (Spencer Hill) at Marsa (on official maps at times indicated as being in the limits of Floriana), consisting of a fully detached building with surrounding grounds and outbuildings situated therein all without official number, collectively bounded on the South West by It-Telgha Ta' Spencer, on the North West by Triq Nazzjonali and on the East and South East by a public road which is a prolongation of Il-Moll Tal-Hatab, with all its rights and appurtenances including its overlying airspace and its underlying terrain and free and unencumbered.



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

3/11/2011

TELEPHONE:22998153

AIP 2011/61

**IMMOVABLE PROPERTY (ACQUISITION BY NON-RESIDENTS) CAP246**

With reference to the application dated 11<sup>th</sup> March 2011 for the acquisition of immovable property in Malta, permission is hereby given in terms of the provisions of the Immovable Property (Acquisition by Non –Residents) Cap 246, to;

**MSH Property Company Limited C51491**

To acquire the under mentioned immovable property for the consideration of €5,857,000

**Immovable Property:**

**'Marsa Central Exchange',it-Telgha Ta'Spencer, Marsa**

Subject conditions mentioned here under:-

**Conditions:**

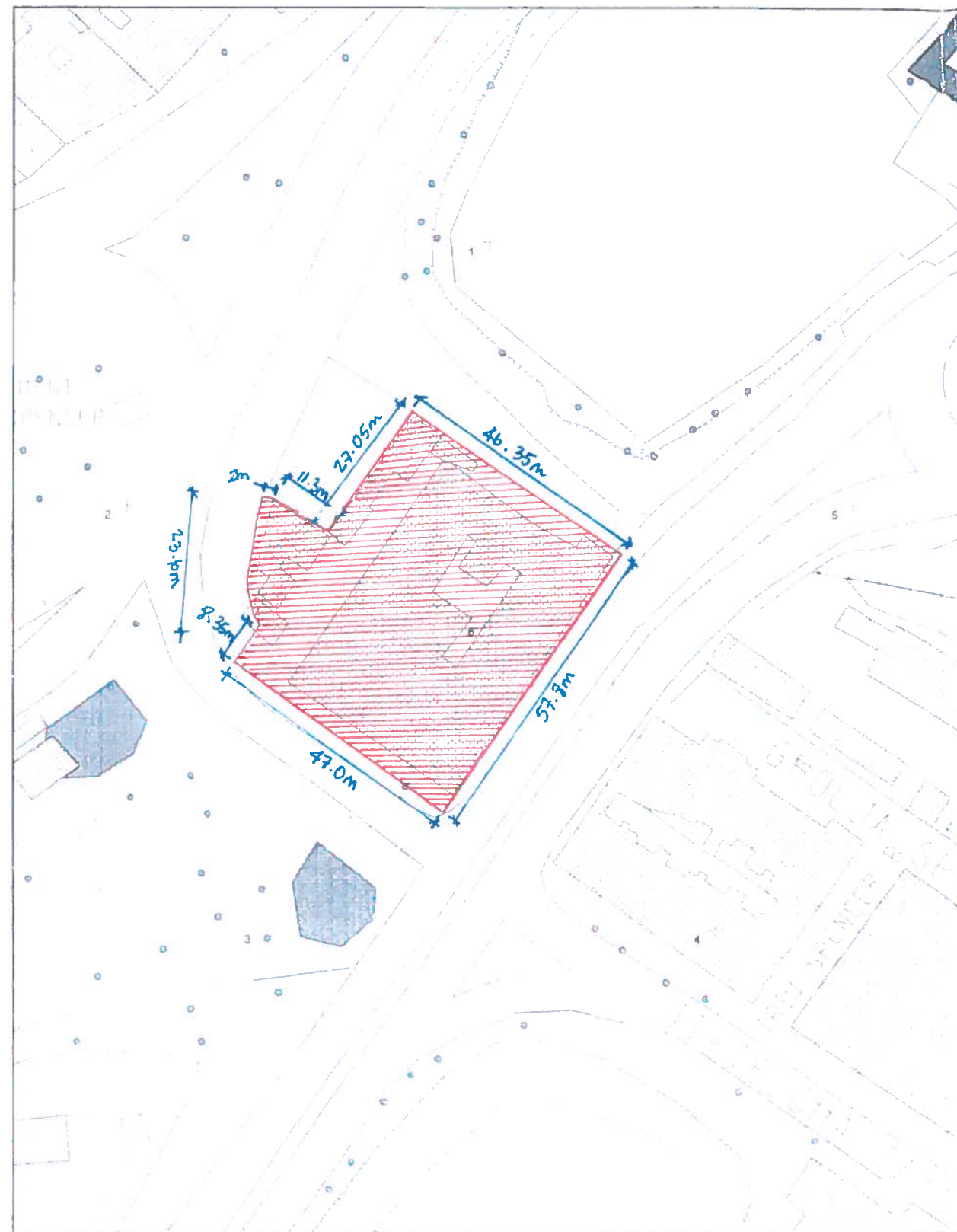
1. If acquisition is not effected within six months from date of issue of this permit approval is considered as having been revoked unless extension has been applied for and such extension granted.
2. Within three months from publication of the deed of acquisition, a certified copy of such deed must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

  
Philip D'Amato  
F/Director



'C' K 2

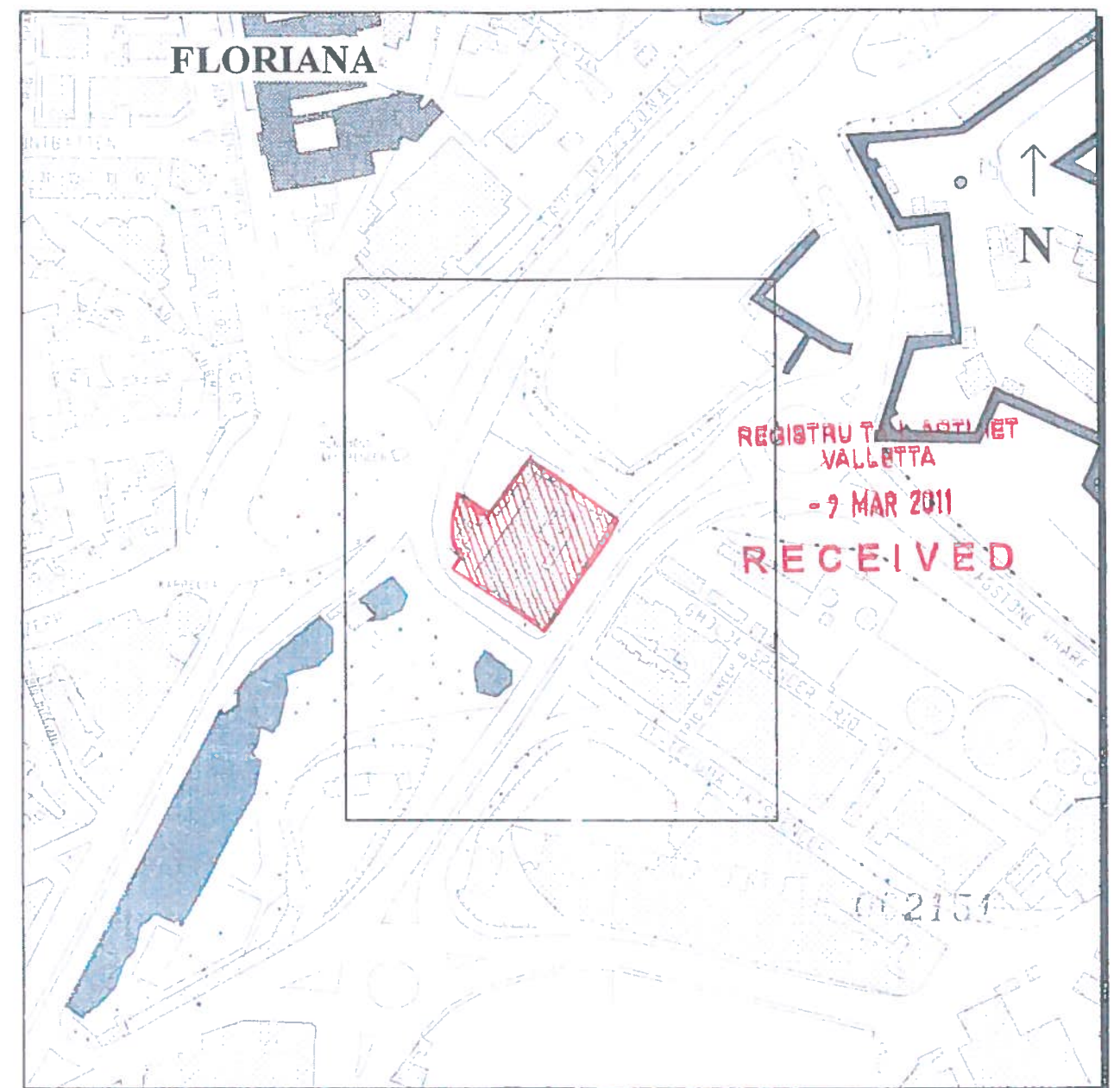
Scale 1 : 1000 Skala  
0 m 20 m 40 m 60 m 80 m 100 m



Scale 1 : 1000 Skala

0 m 20 m 40 m 60 m 80 m 100 m

MARSA HEAD OFFICE



Gvern Ta' Malta

Pjanta tas-sit 1:2500 Site Plan

Government of Malta

Registru ta' l-Artijiet

Land Registry

Casa Bolino, 116 Triq il-Punent, Valletta

Casa Bolino, 116 West Street, Valletta

Nru tal-Mappa: 85757M  
Map Number:

Pozizzjoni Centrali: x = 54782  
Centre Coordinates: y = 71739

Parti minn SS: 5471  
Extracted from SS:

Data: 29/10/2010  
Date:

Perit: DAVID DRAGO  
Architect: DRAGO ARCHITECTURE PROJECT

Qies (metri kwadri)  
Area (square metres)

≈ 2,848m<sup>2</sup>

Timbru tal-Perit  
Architect's Stamp

Architecture Project  
4 Sappers Street  
Valletta VLT 11  
Tel: 21243981 Fax: 21243997

Firma tal-Applikant  
Applicant's signature

Dritt Mhallas  
Fee Paid

22/02/2011





**LEASE**

**Between**

**MSH PROPERTY COMPANY LTD**

**And**

**GO p.l.c.**

**Of**

**MARSA NEW EXCHANGE**

---

## **LEASE AGREEMENT**

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### Article 17.05 Entire Agreement; Amendments.

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### Article 17.07 Waivers

### Article 17.08 Cumulative Remedies

### Article 17.09 Joint and Several Liability

### Article 17.10 Arbitration

### Annex 1 Lease Data and Special Conditions

### Annex 2 Plan of Premises

### Annex 3 Purchase Option

## LEASE AGREEMENT

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

MSH PROPERTY COMPANY LIMITED a company incorporated under the laws of Malta under company registration number C 51491, 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 1<sup>st</sup> January in each calendar year throughout the Term including the 1<sup>st</sup> 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 or 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

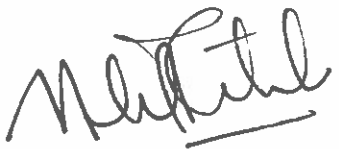

agree on an arbitrator between them within ten (10) days from one Party calling on the other for such purpose.

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 1**

To the lease of premises: **New Marsa Exchange**

**LEASE DATA & SPECIAL CONDITIONS****LEASE DATA**

Item No.	Item Name	
1	Premises	The Premises will be constructed and finished in line with Malta Environment & Planning Authority permit process with reference PA/03461/15. These Premises will be situated in Spencer Hill, Marsa and will be adjacent to the existing Old Marsa Exchange. The Premises will be built on a site with a superficial area of approximately 195 square metres and having a rentable (or otherwise usable) Gross Internal Area of approximately 340 square metres and outlined in red on the attached plan/s marked Annex 2.
2	Rent ( Initial)	Initial Rent of thirty five thousand Euro (€35,000) per annum together with the applicable VAT.
2A	First Rent Review Date	1 <sup>st</sup> January after the first full calendar year of the Term
3	Lease Commencement Date	Upon 'Handover' being the date when Tenant obtains electrical power supply from Enemalta adequate for the Permitted Use.
4	Term	<p>(a) An initial period of ten (10) years commencing from the Lease Commencement Date ("the Initial Period");</p> <p>(b) An additional period of five (5) years commencing from the day following the last day of the Initial Period ("the First Additional Period") at the option of the Tenant, exercisable in the manner set out in item 5 of the Special Conditions in this Annex 1.</p> <p>(c) An additional period of five (5) years commencing from the day following the last day of the First Additional Period ("the Second Additional Period") at the option of the Tenant, exercisable in the manner set out in item 5 of the Special Conditions in this Annex 1.</p> <p>(d) An additional period of five (5) years commencing from the day following the last day of the Second Additional Period ("the Third Additional Period") at the option of the Tenant, exercisable in the manner set out in item 5 of the Special Conditions in this Annex 1.</p>

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5	Permitted Use of Premises	<p>As predominant use: Technical facility including equipment rooms and data centre</p> <p>As ancillary use: Office and storage activities normally associated with the provision telecommunications services</p>
6	<p>Insurance - damage to property</p> <p>Insurance - injury or death to any one person</p>	<p>Two hundred and thirty thousand Euro (€230,000) or as may be adjusted, at the Landlord's sole discretion, to reflect the actual cost of constructing the Premises, increasing annually by the Retail Price Index</p> <p>Two million and three hundred thousand Euro (€2,300,000)</p>

#### 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 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</p>





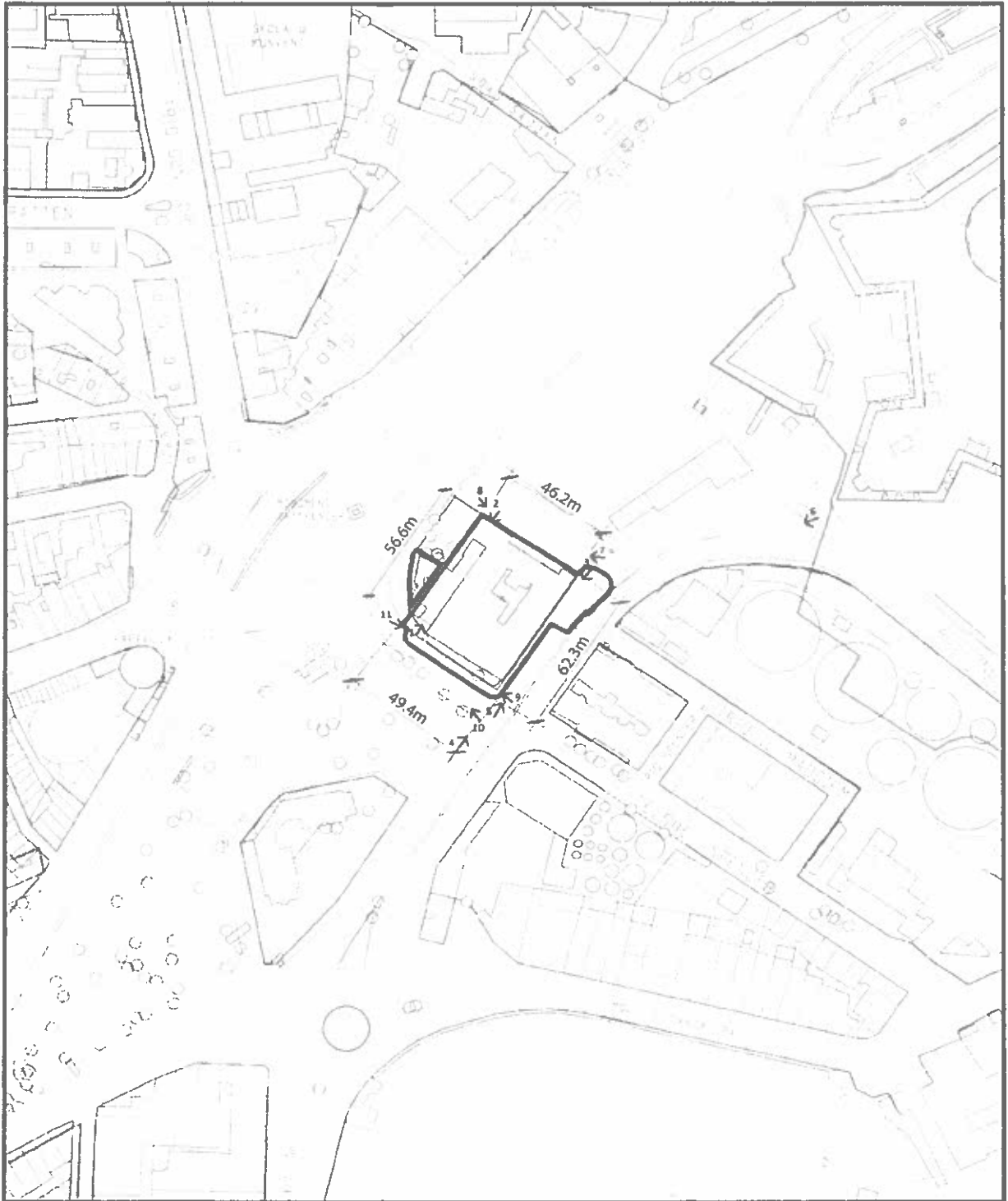
		deemed to be a sublease and shall not bring about the termination of the Lease.
3	Tenant's Right to Purchase	As provided in Annex 3
4	Early Termination By Tenant	Not Applicable
5	Tenant's right to Additional Period	<p>The Tenant may, at its option, give notice to the Landlord not less than three (3) months prior to the expiry of the Initial Term, that it is exercising its option to extend the Term to the First Additional Period, and in this event, the Term shall be extended and shall expire on the last day of the First Additional Period.</p> <p>The Tenant may, at its option, give notice to the Landlord not less than three (3) months prior to the expiry of the First Additional Period, that it is exercising its option to extend the Term to the Second Additional Period, and in this event, the Term shall be extended and shall expire on the last day of the Second Additional Period.</p> <p>The Tenant may, at its option, give notice to the Landlord not less than three (3) months prior to the expiry of the Second Additional Period, that it is exercising its option to extend the Term to the Third Additional Period, and in this event, the Term shall be extended and shall expire on the last day of the Third Additional Period.</p>
6	Commitment to Construct	<p>Landlord shall endeavour to obtain the MEPA planning approval for the construction of the Premises at the earliest possible date.</p> <p>Landlord shall commit to the construction of the Premises and their Handover to Tenant within a maximum period of eighteen (18) months from the date of issue of the MEPA planning approval for the construction of the Premises that is final and not subject to any review before any authority and court .</p> <p>(d) In the event of delay in Handover, then, unless the delay is attributable to force majeure or to the Tenant, or to anything outside the Landlord's control ( including for the avoidance of doubt a delay in obtaining the issue of final MEPA planning approval for construction), the Landlord shall pay a penalty of six hundred Euro (€600) for each calendar day of delay.</p>

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KMP



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Min Easting 54575.45, Min Northing 71490.74, Max Easting 54975.45, Max Northing 71990.74

0m

400m

## MEPA - [www.mepa.org.mt](http://www.mepa.org.mt)

St. Francis Ravelin

Floriana FRN 1230, Malta

PO Box 200, Marsa MRS 1000, Malta

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### Site Plan, Scale 1:2500

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### ANNEX 3

#### TENANT'S OPTION TO PURCHASE : MARSALA NEW EXCHANGE

**MSH PROPERTY COMPANY LIMITED**, a company incorporated under the laws of Malta under company registration number C 51491, whose registered office is at GO, Fra Diego Street, Marsala, MRS 1501, (hereinafter referred to as "Landlord") and

**GO PLC**, a public company incorporated under the laws of Malta under company registration number C 22334 whose registered office is at GO, Fra Diego Street, Marsala, MRS 1501. (hereinafter referred to as "Tenant").

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

Whereas:

- (A) Landlord is the owner of the Premises (as herein defined);
- (B) Landlord and Tenant have entered into the Lease;
- (C) Landlord is willing to give Tenant an option to purchase the Premises on the terms and conditions stated herein;

The Parties hereby agree as follows :

#### 1. Definitions.

Capitalised terms that are defined in the Lease have the meaning given to them in the Lease, unless a different meaning is given to them in this Annex 3.

"Landlord" includes any successor in title of the Landlord to the Premises.

"Landlord's Acquisition Deed" means the public deed in the records of notary Pierre Attard dated 25<sup>th</sup> November 2011 in virtue of which the Landlord acquired the Premises.

"Notice of Extension" means the notice by Tenant to Landlord in terms of Annex 1 that it is exercising its option to extend the Term of the Lease to the Third Additional Period.

"Lease" means the lease for the Premises, to which this Annex 3 is attached.

"Premises" means the Premises referred to in Annex 1, being the building currently under construction at Spencer Hill, Marsala, and is bounded on the South West by Spencer Hill, on the North West by Triq Nazzjonali, on the East and South East by a public road which is a prolongation of Il-Moll Tal-Hatab and on the North and North East by property belonging to the Government of Malta, with all its rights and appurtenances including its overlying airspace and its underlying terrain; The Premises are shown outlined in red on the plan annexed to this deed as a document marked "Annex 2"

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"Purchase Notice" means a Notice calling upon Landlord to appear on a final deed of sale of the Premises at a date not earlier than thirty (30) days and not later than sixty (60) days from the receipt of the Purchase Notice.

## 2. Term of Validity

The Parties agree that ( always subject to clauses 3, 4 and 6(b) ), the period of validity of this Annex 3 shall be the last twelve calendar months of the Third Additional Period (the Option Period).

## 3. Suspensive Condition

The promise to sell, set out in clause 5 of this Annex 3, is subject to the suspensive condition that Tenant gives the Notice of Extension. Therefore, unless and until Tenant gives the Notice of Extension, the obligation on the part of Landlord to sell, set out in clause 5, shall not come into existence.

## 4. Notice to Relevant Authority

If and when the Notice of Extension is given, The promise to sell, set out in clause 5, will not be valid unless notice thereof is given to the relevant authority ( currently the Commissioner for Revenue) , in such manner and within such time, currently twenty one (21) days, as may be prescribed by law. The aforesaid notice shall be given to the relevant authority by Tenant. For this purpose, the Landlord, as the vendor company, authorises Tenant to give the aforesaid notice to the relevant authority within the prescribed time after the Notice of Extension, and to sign all relative documents that may be required. In the event that the Option Period is extended in terms of clause 6, the notice of extension shall also be given to the relevant authority by the Tenant. For this purpose, the Landlord, as the vendor company, authorises Tenant to give the aforesaid notice to the relevant authority within the prescribed time, and to sign all relative documents that may be required.

## 5. Promise to Sell

By virtue of this Annex 3, Landlord undertakes and promises to sell and transfer the Premises to Tenant, subject to the terms and conditions set out in this Annex 3.

## 6. Exercise of Option

(a) At any time during the Option Period, Tenant may send a Purchase Notice to the Landlord . The final deed of sale shall be in accordance with the terms and conditions stated in clause 7 of this Annex 3.

(b) Once sent, a Purchase Notice may be withdrawn by Tenant for any reason whatsoever, provided that if the Purchase Notice is so withdrawn by the Tenant, the promise to sell, set out in clause 5, shall no longer be binding on the Landlord, and this Annex 3 shall terminate

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and cease to have effect. This is without prejudice to the provisions of the following paragraphs of this clause.

(c) If Litigation Circumstances ( as defined in paragraph (d) of clause 7.5) exist at the time that the Purchase Notice is sent, or exist at the time that the final deed of sale of the Premises was to take place following that Purchase Notice, the Tenant shall be entitled ( but not obliged) to withdraw the Purchase Notice.

If the Tenant does not withdraw the Purchase Notice, the Tenant shall be entitled to purchase the Premises, if this is possible, with the exclusion of the warranty stated in paragraph (d) of clause 7.5 and with the appropriate qualification to the warranty of peaceful possession and real enjoyment stated in clause 7.4.

If the Tenant withdraws the Purchase Notice, the following paragraphs (d) and (e) shall apply.

(d) If the Litigation Circumstances are reasonably capable of monetary settlement by the Landlord, the Option Period shall be extended for a further thirty-six (36) months, and paragraph (a) above shall continue to apply, and furthermore, the Lease shall be similarly extended on the same terms and conditions.

(e) If the Litigation Circumstances are not reasonably capable of monetary settlement, the Tenant's option to purchase shall cease, and this Annex 3 shall have no further effect.

## 7. Other Terms and Conditions

7.1. The Premises enjoys and is subject to all servitudes over and/or in favour of the other properties as results and is necessitated from its physical position.

7.2. The purchase price for the Premises shall be the equivalent of the annual rent payable at the time of the Purchase Notice, capitalised at a rate of six per cent (6%).

7.3. The entire price shall be paid by Tenant to the Landlord on the final deed of sale of the Premises.

7.4. Landlord shall, on the deed of sale, warrant good title, the peaceful possession and real enjoyment of the Premises in favour of Tenant and by way of security for this warranty Landlord undertakes to grant to Tenant, who accepts, a general hypothec on all Landlord's property present and future, in general;  
Tenant waives its right to register an additional special hypothec by virtue of this general hypothec on any property of Landlord in terms of section two thousand and sixteen (2016) of the Civil Code of Malta.

7.5. On the final deed of transfer, Landlord shall warrant:

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(a) that the Premises are 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 except for what may be stated in this Annex 3;

(b) that the Premises are free from debts (other than debts incurred by the Tenant), 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 Premises, and any fees and expenses due to contractors and suppliers for the construction and completion of the Premises are paid and fully settled;

(c) that the Premises are 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;

(d) that, to Landlord's knowledge, there are no proceedings pending or threatened in connection with and/or relating to the Premises, and that there are no circumstances, which are likely to give rise to any litigation or arbitration ( the "Litigation Circumstances" ) ; and

(e) that the Premises were not expropriated nor is there, to Landlord's knowledge, an intention of expropriation by the relevant authorities.

7.6. The Premises are being sold 'tale quale', in their present state and condition.

7.7. Tenant shall not pay or receive any compensation for party walls;

7.8. 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 the day of transfer, shall be duly paid and settled by Tenant. Landlord promises and undertakes to sign all such documents and perform all such acts as may be reasonably required by Tenant such that each of the said services and utilities may be registered in the name of the Tenant, or any person nominated by Tenant.

7.9. All fees and expenses, including notarial fees and duty on documents, relative to the final deed of sale shall be borne by Tenant. Any Capital Gains Tax or Property Transfer Tax which may arise from the deed of sale shall be paid by Landlord. Each one of parties shall pay his own advisors;

7.10. Should Landlord fail to appear for the publication of the final deed of sale for no valid reason at law , Tenant shall be entitled to enforce this Annex 3, whether to demand specific performance, or to demand damages, in terms of the applicable procedures provided by Article one thousand three hundred and fifty seven (1357) of the Civil Code, Chapter sixteen (16) of the Laws of Malta,.

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Furthermore Landlord acknowledges and accepts that as of the date it fails to appear to sign the final deed of sale for no valid reason at law,:

(i) in the event that, and for as long as, there are judicial proceedings against the Landlord to carry out the sale of the Premises in terms of this Annex 3, the Lease shall continue and the rent will be fully abated until the final deed of sale is signed;

(ii) in the event that there are no judicial proceedings against the Landlord to carry out the sale of the Premises in terms of this Annex 3, or such judicial proceedings commence and then cease for any reason, the Lease shall terminate.

7.11. This Annex 3 is subject to the resolutive condition that the necessary searches on the Property object of this Annex 3 are duly conducted by Tenant, and that from the said searches there results that the title to the Premises is valid and that there is no defect of title that came into existence after the Landlord's Acquisition Deed. In the event that it transpires that there is some sort of defect in the title to the Premises that came into existence after the Landlord's Acquisition Deed, Tenant reserves the right to withdraw from this Annex 3 and to seek damages from Landlord. For the avoidance of doubt it is declared that any defect in title that existed prior to the Landlord's Acquisition Deed (i) shall not entitle the Tenant to withdraw from this Annex 3 should the sale be possible, and (ii) whether the sale is possible or not, the Landlord shall not be liable in damages nor pay any cost in relation to such defect in title.

7.12. This sale is subject to any permission by the Government or any regulatory authority that may be required in terms of the Immovable Property (Acquisition by Non-Residents) Act Chapter two hundred and forty six (CAP.246) of the Laws of Malta, or any other law, for the acquisition of the Premises;

7.13. Tenant exempts Landlord from providing Tenant with an Energy Performance Certificate (EPC) in respect of the Premises at the expense of Landlord, and in the event that any authority requires an EPC to be produced, the EPC shall be obtained by Tenant at its expense. If for any reason Landlord is obliged to obtain an EPC itself, Tenant undertakes to refund to Landlord the cost of the EPC.

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**MSH Property Company Limited ("the Company")**

**GO, Fra Diegu Street, Marsa MRS 1501**

**Company Registration Number C 51491**

*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 13<sup>th</sup> day of October 2015

A handwritten signature in black ink, appearing to read 'F. Galea', with a long horizontal stroke extending to the right.

**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 13<sup>th</sup> day of October 2015

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

