
A+

Valuation Report

12.07.2023

**UNITS 9 & 10, 39, TRIQ ZIMMERMAN
BARBARO, TAS-SLIEMA, MALTA**

Client: United Group Ltd.
Int. Ref.: V23048
Revision: 03

The Board of Directors,
United Group Ltd.

12 July 2023

Dear Sirs,

**RE: PROPERTY VALUATION OF THE AIRSPACE OF UNITS 9 & 10, 39, TRIQ
ZIMMERMAN BARBARO, TAS-SLIEMA, MALTA**

Valuation background

I, the undersigned architect and civil engineer holder of ID 0580385M and warrant number 989 have been requested to conduct a full valuation to determine the present Market Value (defined as "*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*" in the Valuation Standards) and the Gross Development Value (defined as '*The Market Value of the proposed development assessed on the special assumption that the development is completed as at the date of valuation in the market conditions prevailing at that date*') of the freehold and vacant interest (full possession) of the property in caption (hereafter referred to as the 'Property') for the inclusion with the Base Prospectus to be published in connection with the proposed Note Issuance Programme by United Finance p.l.c. as an external valuer.

The valuation has been prepared in accordance with the Royal Institute of Chartered Surveyors Valuation – Global Standards (2022) and the *Kamra tal-Periti* Valuation Standards for Accredited Valuers (2012). There has been no departure from these standards.

It is to be noted that no outside assistance was required in the preparation of this report, and that there are no conflicts of interest between the undersigned and United Group Ltd. (the 'Client') or the Property to declare.

Property description

The Property (see Appendix 1 for a site plan which indicates the location and the boundaries assumed for the Property and Appendix 2 for photographs of the Property) consists of a fifth-floor (which is the uppermost floor level of the apartment block which was built in 2006) two-bedroom corner apartment which is currently in a shell state which is inclusive of the overlying roof and airspace (see Appendix 5 for the measurement and accommodation schedule). This apartment was built in 2022, has no private parking facilities, has side-sea views and is located in a quiet residential area of Sliema.

12 July 2023

There is an ongoing application (PA/00970/23 – see Appendix 4) which is proposing a new duplex corner penthouse above the existing building. This proposed use is being declared and the highest and best use. The cost for such a development (the new passenger lift, the finishing of the apartment unit and the full development of the penthouse unit) is being estimated as **€260,000 (two hundred and sixty thousand euro)** as outlined in Appendix 8. This is apportioned as follows:

- €75,000 for the passenger lift and the communal areas;
- €60,000 for apartment; and
- €125,000 for penthouse (incl. the overlying roof and airspace).

Besides the general construction costs and fees, this is inclusive of VAT, preliminaries and professional and planning fees. This assumes that both units will be sold in a semi-finished state as described in the development sales brochure (see Appendix 6).

The development period post the approval of the ongoing permit is estimated at 12 months which caters for the lead-in period, the civil works of the duplex penthouse and the finishes and M&E services works of both units and the communal areas, and a 1 month void period which caters for snag works, cleaning of the units, and the time required to rent the penthouse unit should this option be undertaken by the hypothetical purchaser. Should the two units be finished separately, the apartment unit could be completed in 6 months as opposed to 12.

Legal description

The Property has a freehold title and is currently vacant, hence there are no intra-group leases and the valuation assumes full vacant possession. It shares a communal entrance and core which has an internal staircase and passenger lift, and the party walls are assumed co-owned in equal parts with the owners of the adjacent properties. It is being assumed that there are no restrictions which will hinder the development of the two units.

No part of the Property is protected and the existing building is covered by the full and executable development permit PA/03534/21 (see Appendix 3) which was approved in 12 October 2021; however, it is not built in accordance with the approved drawings as yet as works are still in progress. Furthermore, there is an ongoing application – PA/00970/23, which should be approved by the end of 2023 – which proposes an additional unit as mentioned above. This valuation is based on the special assumption that this application is approved.

It is to be noted that there does not appear to be any enforcement action on the Property, and that it seems to adhere all relevant statutory considerations, building laws and sanitary regulations. Furthermore, no energy ratings (such as EPCs) were provided to the undersigned.

The Board of Directors,
United Group Ltd.

12 July 2023

Valuation methodology

There were no restrictions in the choice of valuation methodology in the valuation. We used the traditional residual method as the primary method due to the development potential, the premise of value considered (highest and best use), and the use, type and title and occupation of the Property. It was assumed that the penthouse unit would be retained by the hypothetical purchaser and that the apartment unit will be sold since it is subject to a promise of sale agreement as at the Valuation Date (see Appendix 7).

Valuation opinion

By taking into consideration the characteristics and conditions described in this report (and as outlined in Appendices 8 – 10), it may be established that as at 29 May 2023 (the Valuation Date which is taken to be the date of inspection), the freehold interest (and full vacant possession) of the Property has:

- a present Market Value of **€415,000 (four hundred and fifteen thousand euro)**; and
- a Gross Development Value of **€860,000 (eight hundred and sixty thousand euro)**.

Valuation statement

Note that the valuation represents the figures that would appear in a hypothetical contract of sale at the Valuation Date. No allowances have been made for any expenses of realization nor for taxation which might arise in the event of a disposal. No account has been taken of any mortgages, debentures, or other charges. All capital values stated in this Valuation are exclusive of VAT, inclusive of agency fees (if any), and exclusive of the value of any movable furnishings. Furthermore, it is to be noted that the cost estimate and Gross Development Value are based on present terms.

There were no variations from standard assumptions and the valuation was based on the assumptions, special assumptions and conditions listed in Appendix 11. Furthermore, there is no material uncertainty to report.



Adrian Mangion B.E.&A. (Hons) A.&C.E.; *Perit*

Partner

For and on behalf of

Archi+

Encl.: Appendices

LEGAL NOTICE AND DISCLAIMERS

Valuations	<p>This valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property. Other valuers may reach different conclusions as to the value of the subject properties. This valuation is for the sole purpose of providing the intended users with the Valuer's independent professional opinion of the value of the subject property as at the valuation date.</p>
Reliance	<p>This report is for the use only of the parties to whom it is addressed for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.</p> <p>It is important that the report is not used out of context or for the purposes for which it was not intended. We shall have no responsibility or liability to any party in the event that the report is used outside of the purposes for which it was intended, or outside of the restrictions on its use.</p> <p>We responsible only to the Client and any other person making use of this valuation shall do so solely at his or her risk.</p>
Consent to publication and use	<p>Neither the whole nor any part of the report or reference to it may be included now, or any time in the future, in any other published documents, circular or statement, referred to or used in any way without the prior written consent of the Undersigned.</p>
Information and verification	<p>We have taken reasonable care to ensure that the information is up-to-date, complete and correct and may be safely relied on, and to the best of my knowledge is in accordance with the facts as given to me, and contains no omission likely to affect the value of the building.</p> <p>Furthermore, it has been assumed that any information supplied can, if necessary, be verified. Should any of the information provided be found to be inaccurate or incomplete there could be a variation in value.</p> <p>It is recommended that should any further reports or audits, inter alia, to condition, legal or environmental issues become available, then copies should be forwarded to the Undersigned in order that to comment upon their impact on value.</p>
Liability cap	<p>Our maximum shared aggregate liability to any relying parties howsoever arising under, in connection with or pursuant to this report and/or the Instruction together, whether in contract, tort, negligence or otherwise shall not exceed the lower of:</p> <ol style="list-style-type: none">i. 25% of the true value of the property to which the Instruction relates (as at the valuation date); orii. €1,500,000 (One million, five hundred thousand euro).
Jurisdiction	<p>This report and any disputes arising from this valuation is subject to Maltese jurisdiction and law.</p>

APPENDICES

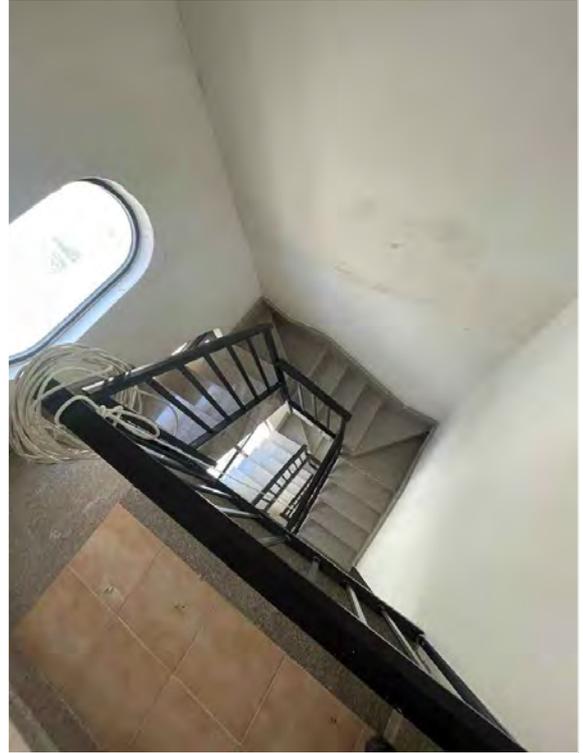
1. SITE PLAN
2. SITE PHOTOGRAPHS
3. PROPOSED DRAWINGS
4. DEVELOPMENT PERMIT DOCUMENTS
5. MEASUREMENT & ACCOMODATION SCHEDULE
6. DEVELOPMENT BROCHURE
7. PROMISE OF SALE AGREEMENT
8. COST ESTIMATE
9. COMPARABLE EVIDENCE
10. VALUATION CALCULATIONS
11. ASSUMPTIONS & CONDITIONS
12. GLOSSARY

APPENDIX 1
SITE PLAN

APPENDIX 2
SITE PHOTOGRAPHS



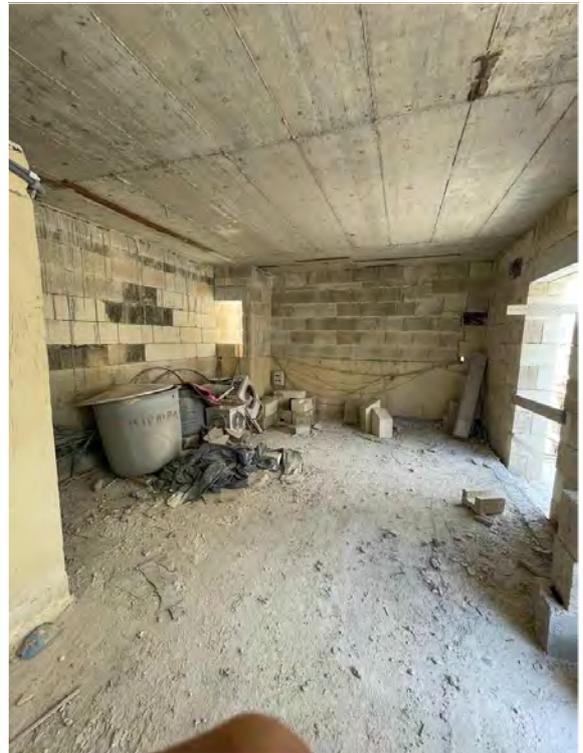
1



2



3



4



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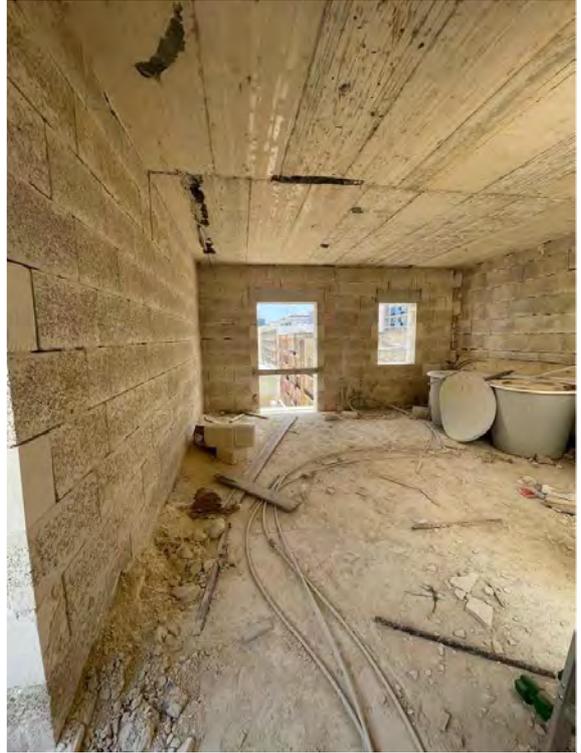
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client UnitedEstates client's customer N / A
 title PROPERTY PHOTOGRAPHS

int. ref. V23048 client ref. N / A date 29.05.23
 size A4 scale N / A
 source Archi+ taken by A.M.
 sheet no. 01 property Triq Sant' Antnin C/W Zimmermann
 Barbaro, Sliema, Malta



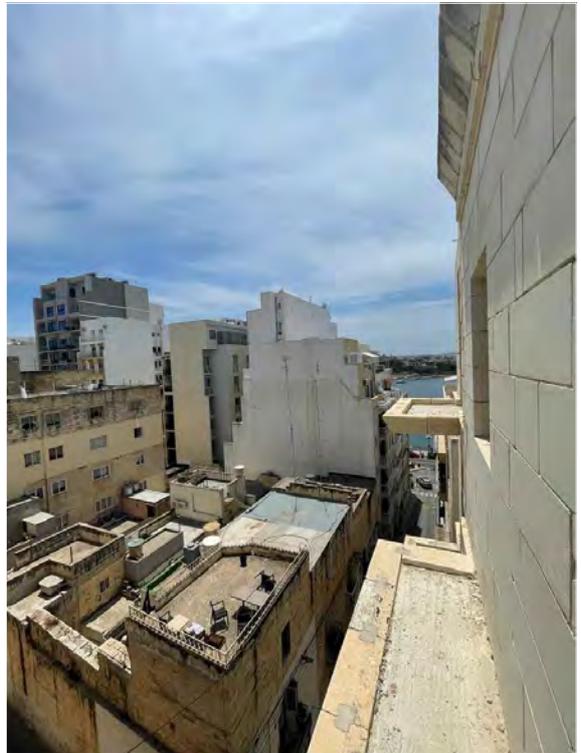
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client	UnitedEstates	client's customer	N / A
title	PROPERTY PHOTOGRAPHS		

int. ref.	V23048	client ref.	N / A	date	29.05.23
sheet no.	02	size	A4	scale	N / A
		source	Archi+	taken by	A.M.
		property	Triq Sant' Antnin C/W Zimmermann Barbaro, Sliema, Malta		

APPENDIX 3
PROPOSED DRAWINGS
PA/00970/23

APPENDIX 4
DEVELOPMENT PERMIT DOCUMENTS
PA/03534/21

APPENDIX 5
MEASUREMENTS & ACCOMODATION SCHEDULE

MEASUREMENTS & ACCOMODATION SCHEDULE

Source: The latest proposed drawings of PA/00970/23 which were available at the Valuation Date

01. Floor area summary Existing situation						
Floor level	GEA, m ²					Comment
	Internal			External	Roof	
	Total	Ownership	Common	Total	Total	
5	94.6	81.6	13.0	9.8	0.0	
6 roof	0.0	0.0	0.0	0.0	94.6	
7 N / A	0.0	0.0	0.0	0.0	0.0	
8 N / A	0.0	0.0	0.0	0.0	0.0	
Total	94.6	81.6	13.0	9.8	94.6	

02. Floor area summary Proposed scheme						
Floor level	GEA, m ²					Comment
	Internal			External	Roof	
	Total	Ownership	Common	Total	Total	
5	99.6	86.5	13.0	5.0	98.7	
6	94.6	81.5	13.0	9.8	93.9	
7 setback	35.0	31.4	3.6	46.9	0.0	
8 roof	0.0	0.0	0.0	0.0	35.0	
Total	229.2	199.5	29.7	61.7	227.7	

03. Measurement schedule Proposed scheme																				
Floor level	GEA, m ²											Linear, m				No.				
	Internal					External					Roof	Internal height		Frontage		Units*	Common areas		Vehicles**	
	Total	Residential	Parking	Other	Core	Total	Covered	Yard/garder	Projection	Terrace	Total	IH	CH	Site	Built		Stairs	Lifts	Provided	Required
5	103.7	91.3	0.0	0.0	12.4	5.0	0.0	0.0	5.0	0.0	0.0	2.9		26.7	1.0	1.0	1.0	0.0	-1.0	
6	103.7	91.3	0.0	0.0	12.4	9.8	0.0	0.0	9.8	0.0	0.0	2.7		26.7	1.0	1.0	1.0	0.0	0.0	
7 setback	81.0	80.0	0.0	0.0	1.0	46.9	0.0	0.0	0.0	46.9	0.0	2.7	22.6	15.2		0.0	1.0	0.0	0.0	0.0
8 roof	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	36.2	N / A		N / A		0.0	0.0	0.0	0.0	0.0
Total*	288.5	262.6	0.0	0.0	25.9	61.7	0.0	0.0	14.8	46.9	36.2				2.0	2.0	3.0	0.0	-1.0	

*Residential and commercial units; **Regular parking spaces

APPENDIX 6
DEVELOPMENT BROCHURE



ZIMMERMANN

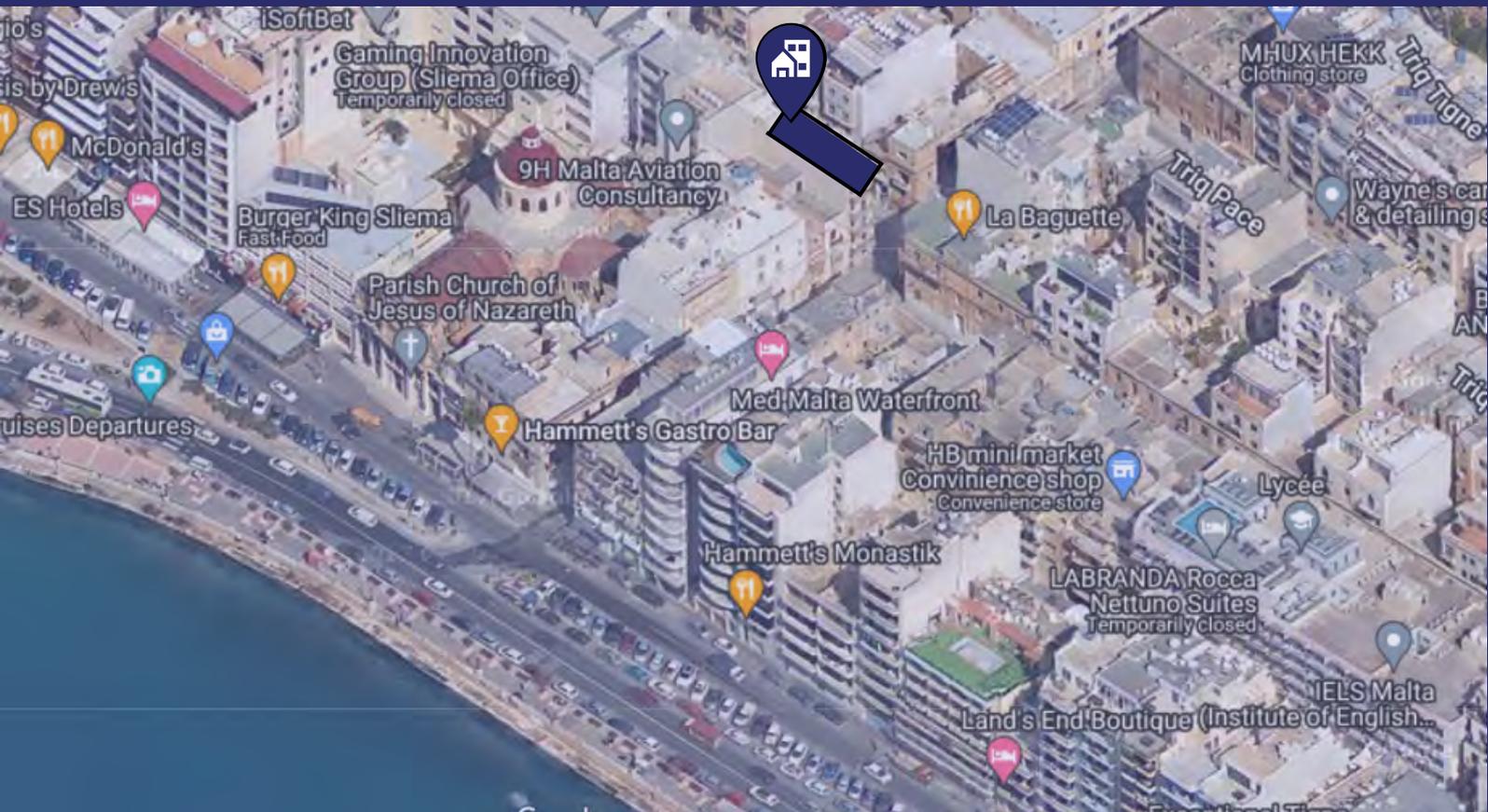
PENTHOUSE

TRIQ ZIMMERMANN BARBARO

ZIMMERMANN

PENTHOUSE

 SLIEMA



ZIMMERMANN

PENTHOUSE

FIFTH FLOOR VISUALS



ZIMMERMANN

PENTHOUSE

SIXTH FLOOR VISUALS



ZIMMERMANN

PENTHOUSE

VIEWS



United Estates

ZIMMERMANN

PENTHOUSE

PROJECT TIMEFRAMES

Works to be completed by the fourth quarter of 2023.

SPECIFICATIONS

Penthouse to be sold finished, excluding internal and bathroom doors.

PAYMENT TERMS

10% Deposit

90% on contract

ZIMMERMANN

PENTHOUSE

PRICE

DUPLEX PENTHOUSE

Area Size:

- Internal Area: 122m²
- External Area: 50m²

Level:

- Level 5
- Rooftop terrace at Level 6

Price:

- €650,000

ZIMMERMANN

PENTHOUSE

CONTACT

MALCOLM GATT BALDACCHINO

REAL ESTATE MANAGER

CELL: +356 9901 9041

EMAIL: MGB@UNITEDGROUP.COM.MT



ZIMMERMANN

PENTHOUSE

TRIQ ZIMMERMANN BARBARO

List of Finishes for Residential Units - Zimmerman Barbaro Flat 9

1. Plumbing & Electricity	2 Bedroom Apartment
1.1 Electrical	
a) 40A SPN consumer unit complete with 40A 2P MCB, 40A/100mA 2P RCD, 40A 2P OVER-VOLTAGE RELAY in common parts	1
b) PE connection solidly bonded to common main earthing terminal	1
c) Set 3x10sqmm PVC sheathed conductors from meter consumer unit to apartment consumer unit	1
d) 40A SPN consumer unit complete with 40A 2P MCB, 40A/30mA 2P RCD, 4x25A SP MCB, 4x32A SP MCB, 3x10A SP MCB in apartment	1
e) Lighting point	14
f) 2-gang 13A switched socket outlet	16
g) 1-gang 13A switched socket outlet	1
i) 20A double pole switch for airconditioning unit - (internal)	3
j) 13A switched fused connection outlet	4
k) Cooker unit	1
l) Flex outlet	7
m) Point only for T.V. - Cabling and faceplate by client	3
n) Point only for Telephone - Cabling and faceplate by client	3
o) Point only for door bell system - Cabling, push switch and bell by client	1
p) Part-of communal intercom system complete with 1 audio only handset and common door release, including cabling	1
q) Supply and installation of outdoor bulkhead-type lights fittings c/w energy efficient lamp	One per balcony
1.2 Plumbing	
a) 500 litre water tank c/w ball valve and 15mm and 22mm shut-off valves	1
b) 15mm PB or equivalent push-fit system pipe from meter to kitchen and tank	1
c) 22mm PB or equivalent push-fit system pipe from tank to bathroom(s) with shut-off valve	1
d) Hot & cold water points to kitchen sink	1
e) Cold water point for dishwasher	1
f) Cold water point for washing machine	1
g) Cold water bib taps in terrace	1
h) Set small drains for Kitchen and Washing Machine	1
i) Set condensate drain run-off for AC units	3
j) Rain water run-off system in terraces	1 per terrace
1.3 Drainage & Drains	
a) Foul water vertical stacks and gullies in shaft and backyard. In some cases stacks may be shared between adjacent apartments	As required - To be decided by vendor
b) Rain-water vertical stacks as necessary	As required - To be decided by vendor
1.4 Common Parts	
a) Audio Intercom System - Door unit with bell push and audio function (standard handset with possibility to a) upgrade to video system at an extra charge)	
b) Front Door inclusive of electrical lock and standard hinges (to be decided by the vendor)	
c) Emergency lighting points in common staircase	
2. Internal Plastering & Painting	
a) Gypsum plastering made up of 2 coats of Gypsum rendering and 1 Finatura will be applied to all walls.	
b) 2 coats of white water-based paint	
3. Tiles	
a) Supply and laying of internal floor tiles including skirting cut at straight edge throughout including all materials required.	
b) Purchaser is to be given a choice of five (5) Internal floor tiles and three (3) external floor tiles to chose from the selection provided by the Vendors. Should the Purchaser not wish to make use of the tiles supplied by the Vendor the Purchaser will purchase and install his own tiles (including all required material). The Vendor shall refund the purchaser €27.00 per square meter .	
c) Balconies and or terraces are to be waterproofed before tiling and well drained directly via pipe work to main drain	
d) Supply underlay graded material (Torba), leveled and ready to receive tiles which screed is to be provided according to the type of tiling material being laid.	
e) Where the purchaser has opted for the choice of tiles supplied by the vendor a choice of five (5) tiling grout colours are given to choose from.	
4. Apertures	
a) Aluminium apertures with double glazing, type and colour to be decided by the vendor	
5. Doors	
a) Main doors, including handles and locks to be chosen and supplied by the Vendors.	
b) Internal doors not included	
6. Bathrooms	
a) Bathrooms not included	
7. Balcony Railings	
a) Balcony railings as per PA Permit	
8. Window sills	
a) Window and external door sills in marble/granite/travertine/resin/gres porcelain finish or any equivalent material (chosen by the vendor); Front door threshold will be supplied and installed in the same material as the staircase.	
9. Common Parts	
a) Internal walls to have gypsum plastering and two coats of water based paint.	
b) Exterior plastering and decorations as per elevation drawing details and PA permit or any approved amendments to the permit	
c) Rain water and sewage piping main runs in 110mm interception box and Siphon as directed by the architect and as required by sanitary law.	
d) Main entrance, hall way and all internal residential staircases up to Penthouse level.	
e) External main door.	
f) Passenger lift, from ground level to penthouse level.	
h) All internal service areas and rooms	
i) Letterboxes in Main entrance	

All rates indicated in this agreement include VAT.

Application for the services in apartments and common areas shall be done by the buyers.

Where buyers requests the removal of any item from the specification list, no refunds will be issued by the vendor.

APPENDIX 7
PROMISE OF SALE AGREEMENT
APARTMENT 9

Promise of sale agreement (POS) signed today, this the ninth (9th) day of May of the year two thousand and twenty-three (2023), between:

Of the first part: Edmund Gatt Baldacchino, a company director, married, son of the late Charles Gatt Baldacchino and Carmen Gatt Baldacchino nee' Vella, born in Sliema on the 23rd October 1968 and residing at Villa Harruba, Trejjet San Luqa, Naxxar, holder of identity card number; 427668(M) (9901 9041) - who is appearing on this agreement in the name and on behalf of, the limited liability company, "United Group Limited" - registration number letter C10233 and this as he declares to be duly authorised for the purpose in virtue of the Memorandum & Articles of Association of the said company and the attached board resolution marked as document letter "A" - hereinafter the said company referred to as "the Vendor".



Definitions

The parties to this agreement agree that in this agreement unless otherwise expressly stated or the contrary intention appears the following capitalised terms shall have the following meanings respectively assigned to them:

"Vendor" means United Group Limited

"Purchaser/s" means Andrew and Kyra spouses Meli.

"Site" means the Building constructed over the site at number thirty-nine (39) with its underlying cellar at number forty (40), both in Triq Zimmermann Barbaro, Sliema and the tenement numbered twelve (12) in Triq Sant' Antnin, Sliema.

"Building" means the complex, which the Vendor constructed on the Site, which complex, save for the future development, consists of:

- i. the Block of Apartments (hereunder defined),
- ii. the Garages (hereunder defined); and

iii. the duplex studio apartment with an independent entrance, without number and unnamed, in Triq Sant' Antnin and which underlies part of the Block of Apartments and in part overlies one of the garages, namely, garage A;

and is bounded on the southeast by Triq Sant' Antnin, on the northeast by Triq Zimmermann Barbaro and on the northwest by property of Alfred and Carmen Spouses Cachia.

"Block of Apartments" or "Block" means the block of apartments in the Building, which has an independent entrance, presently unofficially numbered thirty-nine (39) - as yet unnamed, in Triq Zimmermann Barbaro, corner with Triq Sant' Antnin Sliema and which overlies the Garages and the duplex studio apartment, and presently consists of one apartment at first floor level, six studio apartments, two on each level, which Block of Apartments is being extended to include the apartment to be internally nine (9), to be situated at fifth (5th) floor level, the subject of this promise of sale and the duplex apartment/penthouse to be internally numbered ten (10) in the overlying floors and the Common Parts of the Block, and which Block of Apartments has the same boundaries like the Building.

"Garages" means the three one car garages at street level underlying the Block of Apartments each one with an independent unnumbered entrance on Triq Zimmermann Barbaro; garage A is the one closest to Triq Sant' Antnin and garage C is the one furthest from Triq Sant' Antnin, garages B and C being adjacent to each other are together bounded on the south east by the entrance of the Block of Apartments, on the north east by Triq Zimmermann Barbaro and on the north west by property of Alfred and Carmen Spouses Cachia, whilst Garage A is bounded on the south east by the duplex apartment, on the north east by Triq Zimmermann Barbaro and on the north west by the entrance of the Block.

"Basement Level" means the lowest level of the Building.

"Ground Floor Level" means the floor at the level of Triq Zimmermann Barbaro.

"First Floor Level" means the floor in the Block of Apartments directly overlying the Ground Floor Level; the overlying floors are sequentially numbered second, third, fourth, fifth and so on.

"Common Parts of the Block" means:

- i. the main entrance door and the main entrance of the Block;
- ii. the stairs, landings, lift shaft and lift in the common stairwell of the Block which stairwell extends from the Ground Floor Level up to the roof of the Block as

well as the internal shaft which extends from Basement Level up to the said roof of the Block;

iii. the lift room and metre room;

iv. the external walls;

v. the drainage system, communal plumbing and electrical systems and all other common parts mentioned in paragraph (c) of article five (5) of the Condominium Act;

but does not include the land on which the Building is constructed, the common dividing walls with neighbouring tenements and the roof and airspace of the Block.

“Pro Rata” means the undivided share which results from the division of one by the number of the apartments which shall exist at any time in the Block, irrespective of the superficial area of the respective apartments.

“Complete State” means that the Apartment and the Common Parts of the Block are constructed and completed in terms of the proper and necessary permits issued by the Planning Authority (PA), to a good standard of workmanship in terms of local building custom, substantially as shown on the plans attached hereto and marked as document letter “B” and document letter “B1”, being the proposed fifth floor level apartment on the attached plan document B, and in accordance with the specifications shown on the schedule annexed to this agreement as Document letter “C”.

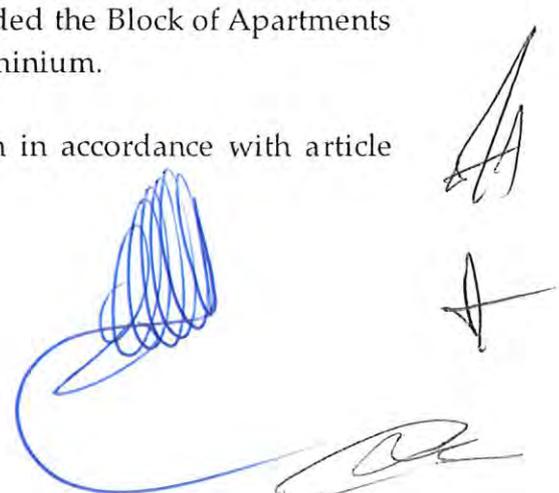
“Works” means all labour, materials, constructional plant and equipment, temporary works, architectural and technical supervision, remedial works, compliance with building laws and regulations and everything required to be done or supplied by the Vendor to deliver to the Purchaser the Apartment in a “Complete State”.

“Architect” means Perit Joe Grech or such other architect who has assumed the responsibility for the construction/extension of the Building.

“Condominium Act” means the Condominium Act, Chapter three hundred and ninety-eight (398) of the Laws of Malta and a Condominium and a Condominus have the same meaning specified in the said act, provided the Block of Apartments shall be considered a separate and independent Condominium.

“Administrator” means the person appointed as such in accordance with article fifteen (15) of the Condominium Act.

Interpretation

The page contains several handwritten signatures. A large, complex signature in blue ink is located in the lower right quadrant. To its right, there are two smaller, simpler signatures in black ink, one above the other. At the bottom right, there is another signature in black ink, which appears to be a stylized 'R' or similar character.

If the persons in this agreement defined as Purchaser are more than one this Agreement shall be construed accordingly and all appropriate references to the singular shall be construed in the plural. Similarly, if the person in this agreement defined as Purchaser is a woman this Agreement shall be construed accordingly and if the person in this agreement defined as Purchaser is a legal person this Agreement shall be construed accordingly.

If the persons in this agreement defined as Purchaser are two or more, they hereby agree that all obligations assumed by them on this agreement have been assumed by them jointly and severally and that they have promised and undertaken to purchase the property in equal shares between them.

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

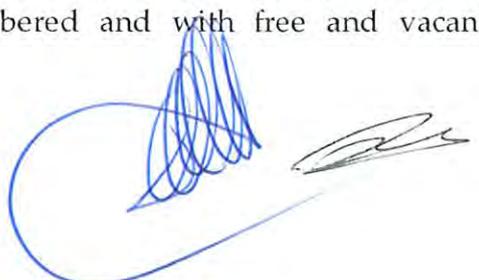
The schedules and documents annexed to this agreement shall be construed to form a substantial and integral part of this agreement, and any reference to this agreement shall include a reference to the said schedules and documents.

Whereas:

- a. The Vendor owns the airspace of the Building.
- b. The Vendor has applied to the PA for a full Development Permit to build an additional 2 bedroomed apartment on the proposed fifth floor level the subject of this POS, as well as a 2 bedroomed duplex penthouse on proposed six and seventh floor level of the airspace of the said building bearing PA no; 00970/23 and therefore subject to the issuance of the said permit;
- c. The Purchasers wish to purchase the Apartment hereunder described and the Vendor has agreed to sell to the Purchasers the said Apartment, under the terms and subject to the conditions mentioned hereunder and accordingly the parties are entering into this agreement.

The Apartment

A. Now therefore by virtue of this agreement, the Vendor promises and binds itself to sell, transfer and convey in full and absolute ownership unto the Purchasers, who accept and promise to purchase and acquire, the Apartment being constructed as per the attached plans document letters B and B1, wherein the said Apartment can be seen outlined in blue, which Apartment is to be internally numbered nine (9) to be situated on the fifth (5th) floor level of the said Block of Apartments, with all its rights and appurtenances, free and unencumbered and with free and vacant



possession, as detailed in this agreement (in this agreement called "the Apartment") under the terms and subject to the conditions stipulated in this Agreement, namely:

A1. The Apartment and the Common Parts of the Block shall be sold in a "Complete State" (as defined herein).

A2. The Apartment (the dominant tenement) shall enjoy the perpetual praedial servitude on the Common Parts of the Block (the servient tenement) consisting of the right of passage and of access to and from Triq Zimmermann Barbaro through the main entrance and hallway, the stairwell, the stairs, the landings, the lift shaft and the lift of the Block, which servitude shall be perpetual and without limitation and shall extend from Triq Zimmermann Barbaro up to the roof of the Block. This right of access shall be constituted as a perpetual praedial servitude on the notarial deed of sale and the consideration thereof has been included in the sale price of the Apartment hereunder stated.

A3. The Apartment shall enjoy all active servitudes and shall be subject to all the passive servitudes, in relation to the remainder of the Building, which are necessary for the development and proper enjoyment of the Building, including, but not limited to, the active or passive servitudes, as the case may be, of overlooking windows and balconies and the passage of the necessary services, flues, pipes, drains and wiring, provided that these servitudes are necessitated by the physical position of the individual units in the Block constructed substantially as shown on the Plans and are prescribed by the Architect to be necessary for the development and proper enjoyment of the Building or to comply with the building permits and are done in accordance to law and the relative building permit and in accordance with the trade.

A4. The sale of the Apartment shall not include the ownership of or the condominium rights to the roof and overlying airspace of the Block and the land on which the Block is constructed. The owner of the Apartment shall only have limited rights of use of and access to the roof as specified hereunder.

A5. The sale of the Apartment includes the common dividing walls with neighbouring tenements of the Apartment. Nevertheless the Purchaser and his successors in title shall neither have the right to receive/nor the obligation to pay compensation for party walls.

A6. Save for the servitudes mentioned in Clause A3 of this Agreement and subject to the other terms and conditions of this agreement the Apartment shall be sold and transferred to the Purchasers, as free and unencumbered from all burdens, ground rents, servitudes, hypothecs and privileges and as free from all rights both real and

personal and of whatever nature in favour of third parties and with free and vacant possession.

THE ROOF

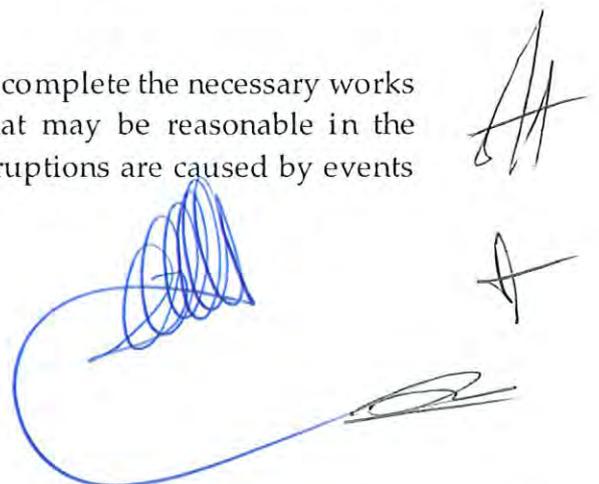
B1. The Vendor now and on the notarial deed shall retain the exclusive ownership of the roofs and airspace of the Building. Without limitation to the generality of the above the Vendor specifically reserves the right to a) transfer the ownership of the roof and airspace of the Building together with the top most apartment/s in the Block or to a third party for development purposes and b) for itself and its successors in title to construct additional storey/s on the roof of the Building as an integral part of the Building provided it or its successors in title obtain the relative permits from the competent authorities.

B2. Notwithstanding the provisions of Clause B1 of this agreement the owner, from time to time, of the Apartment shall enjoy a) the right to use the roof, which from time to time is the uppermost roof, of the Block, solely for the installation of a water tank thereon of the capacity of five hundred litres (500l.) and subject that there is enough space for their allocation and are allowed by the PA, 2 external air conditioning units, which tank and air-conditioning units shall be installed and placed as and where the Architect shall indicate and b) the right of access to the roof of the Block for the purpose of carrying out maintenance and repairs on the said water tank and air conditioning units. The aforesaid right of access shall be regulated in accordance with an agreement to be reached between the Vendor and the Administrator and may be provided through a hatch at the top of the stairwell in the Block.

B3. These rights of use granted by the Company shall constitute an integral part of the ownership of the Apartment, which rights are transferable together with the ownership of the Apartment and are for the benefit of the owners, from time to time, of the Apartment their guests and tenants but specifically exclude the owner of the Apartment from having or claiming any proprietary or condominium rights on the roof and airspace of the Block.

B4. Should the Vendor or its successors in title (in this clause both referred to as "the Developers") actually determine to build even more additional storey/s as aforesaid, the following provisions shall apply:

a) the Developers shall be obliged to undertake and complete the necessary works without interruption, save for such interruptions that may be reasonable in the circumstances, including in instances where the interruptions are caused by events that are beyond the control of the Developers;



b) the Developers shall be entitled to remove the water tanks and all other commodities installed on the then existing roof, provided twenty-one (21) days prior notice in writing is given to the apartment owners, and without the necessity of any other formality;

c) the Developers shall be entitled to extend the Common Parts of the Block, at their expense, to serve also the separate units constructed on the airspace;

d) the aforesaid additional units shall enjoy over the remainder of the Building the active servitudes consisting of overlooking windows and balconies, the right of passage and access through the Common Parts of Block including the lift and of the passage of all necessary pipes, conduits, cables and drains through the Common Parts of the Block;

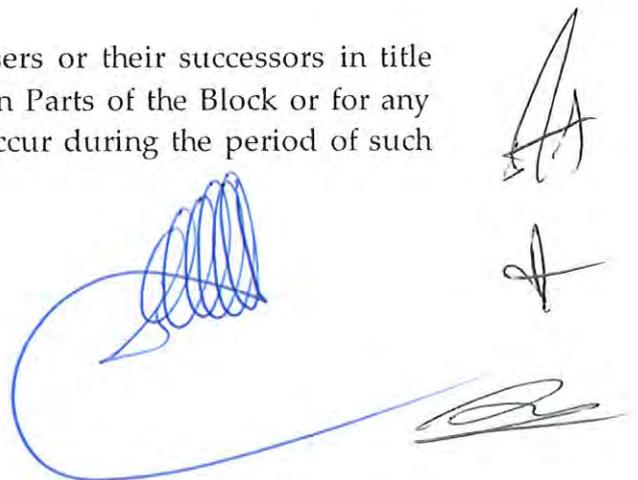
e) the Developers may use the Common Parts of the Block whilst the construction works are in progress, provided the lifts may not be used for the transport of building equipment and material and shall, during the works, be covered with protective material;

f) the Developers shall have the right to transfer a *pro indiviso* share of the Common Parts of the Block to the eventual owners of the additional units or to grant to them the *pro indiviso* use;

g) the Developers shall be obliged to take every reasonable measure possible to cause the least inconvenience to the occupiers of apartments in the Block, provided water supply shall not be suspended for a period longer than twenty-four (24) hours and the use/working of the lifts shall not be interrupted for more than a total of fifteen (15) days;

h) upon completion of the aforesaid additional development, the Developers shall at their expense install anew the water tanks and all other commodities previously removed by them, on the new roof then constructed and thereafter all rights granted to the apartment owners on the roofs shall be enjoyed on the new roofs, the new roofs may be smaller in accordance with building regulations but must leave space sufficient to accommodate the services which owners of units in the Building have a right to retain on the uppermost roof of the Building;

i) no compensation shall be due to the Purchasers or their successors in title because of the Pro Rata adjustment to the Common Parts of the Block or for any disturbance in terms of this agreement that may occur during the period of such further development.

The image shows several handwritten signatures. A large, prominent signature in blue ink is written in a cursive, looping style. To its right, there are two smaller signatures in black ink, one above the other, also in a cursive style. The signatures appear to be on a document, likely the one described in the text above.

B5. In the event that the Vendor shall transfer the roof and airspace of the Building to third parties, all rights and obligations, whether real or personal, of the Vendor arising from this agreement, shall, with the consent of the Purchaser which shall be given on the final deed of sale and purchase, be enjoyed or assumed by such third parties who shall acquire the aforesaid roof and airspace.

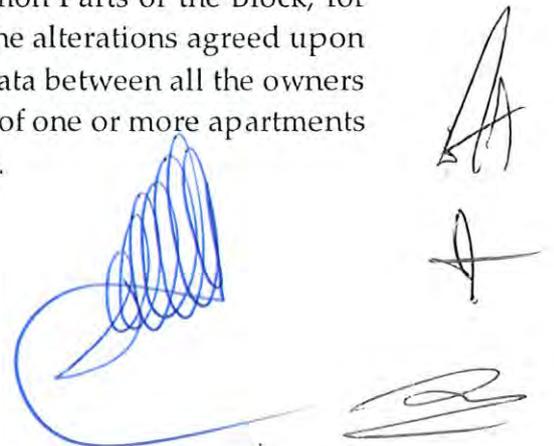
B6. The Purchaser for themselves and their successors in title qua Condomini, hereby give their consent, and shall be bound to confirm such consent on the final deed of sale and purchase, to the extent that such consent is required, to the construction of additional units on the roof of the Building and to the extension of the Common Parts of the Block and the transfer thereof as contemplated in this Agreement and the Purchasers and their successors in title shall be prohibited from obstructing such development in any manner whatsoever.

B7. Without prejudice to the provisions of Clause B1 of this agreement, and unless the roof is sold to the owner of the topmost apartment in the Block, all expenses necessary for the maintenance and repair of the roof of the Building shall be borne Pro Rata by all the other owners of the apartments in the Block who shall enjoy the right of access thereto for such purposes. If the roof is sold to the owner of the topmost apartment in the Block all expenses necessary for the maintenance and repair of the roof of the Building shall be borne exclusively by such owner. If further development takes place on the aforesaid roof, from the date of commencement and until date of completion of such development the care, maintenance and repair of the roof shall be the exclusive responsibility of the Developer.

THE COMMON PARTS OF THE BLOCK

C1. In addition to the servitude for the benefit of the Apartment consisting of the right of access mentioned in Clause A2 of this Agreement, the Purchasers and their successors in title together with the owners of the other apartments which may exist at any time in the Block, shall have the right to use in perpetuity and transferable to third parties all the Common Parts of the Block and all the services installed or situated therein and intended for the common use and enjoyment of all apartment owners in the Block.

C2. The costs necessary for the preservation, maintenance, replacement, ordinary and extraordinary repairs, for the enjoyment of the Common Parts of the Block, for the rendering of services in the common interest and for the alterations agreed upon by the owners of apartments therein, shall be borne Pro Rata between all the owners of apartments in the Block. The Vendor, except as owner of one or more apartments in the Block shall not be responsible to pay any such costs.

The image shows three handwritten signatures. The largest is a blue ink signature with a large, circular flourish at the end. To its right are two smaller black ink signatures, one above the other. At the bottom right, there is a black ink signature that appears to be a stylized 'R' or similar character.

C3. The Common Parts of the Block and the rights of the Purchasers (and of their successors in title) thereto shall be subject in favour of the roof and airspace of the Building and in favour of any additional units which may be constructed thereon to all the rights mentioned in Clause B4 of this Agreement.

C4. The external walls of the Block, including the exposed dividing walls with neighbouring tenements shall, only for the purpose of maintenance and repairs, be deemed common parts of the Block which fall under the jurisdiction of the Administrator or until such time as the Administrator is appointed under the jurisdiction of the Vendor, provided each apartment owner shall pay a Pro Rata share of the expenses disbursed for the maintenance and repair thereof.

PRICE AND PAYMENT TERMS

D. The Vendor and the Purchasers agree that the sale shall be made for the hereunder agreed price and under the other terms and conditions stipulated in this agreement:

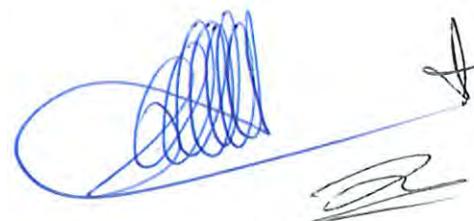
D1. In consideration of the global price of three hundred and five thousand Euro (Eur305,000) (the Purchase Price) for the Apartment in a Complete State as detailed herein.

D2. The Purchase Price shall be paid by the Purchasers to the Vendor in the following manner:

i. The sum of thirty thousand and five hundred Euro (Eur30,500) is hereby being paid as a Deposit on account of the purchase price of the said Property on the signing of this Agreement, which Deposit is to be deposited into the Notary's Clients' Account and held in the said account by the Notary, until the final deed of sale;

ii. While the balance of price in the sum of two hundred and seventy-four thousand and five hundred Euro (Eur274,500) shall be paid by the Purchasers to the Vendors on the final deed of sale.

D3. The Parties agree that the Deposit shall be considered a payment made by way of Deposit and on account of the price and not by way of earnest. Nevertheless, the Purchasers agree to forfeit the Deposit in favour of the Vendor, by way of pre-liquidated damages, should the Purchaser fail to appear on the final deed for no valid reason at law, or in terms of this agreement, which damages shall not be subject to abatement by any court. Such forfeiture shall occur ipso facto and without the necessity of the filing of any judicial letter or any other judicial proceedings.



D4. The parties agree that the balance of price due in terms of this agreement (with the exception of the Deposit) shall be made by means of a Bank Draft made payable to the Vendor.

D5. All fees and expenses relative to this Agreement and to the notarial deed of sale and all matters ancillary thereto including, notarial fees and Duty on Documents and other Transfers shall be borne by the Purchaser. Each party shall pay its own advisors. The Vendor shall pay its own Capital Gains Tax. Commission Fees due to Frank Salt Real Estate Limited C 31667, in the total sum of fourteen thousand three hundred and ninety-six Euro (Eur14,396) including VAT, shall be paid by the Vendor.

D6. The Purchasers shall pay any future rates, taxes, assessments or any other charge now or hereafter imposed or charged by competent authorities upon the land or improvements thereon or upon the owners or occupiers in respect thereof.

THE WORKS.

E1. The Vendor promises and undertakes in favour of the Purchaser, who accepts, to;

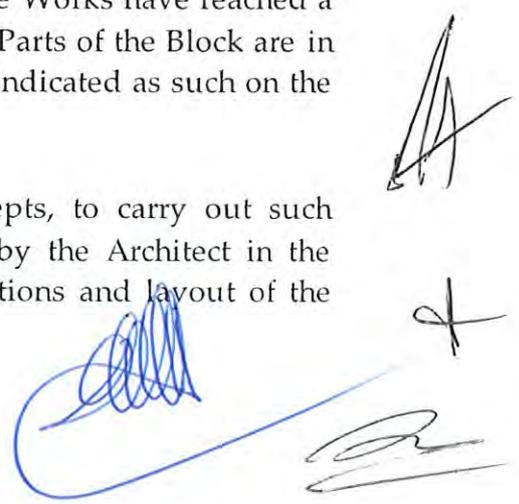
i. save for *force majeure*, to commence the Works by not later than two (2) months from issue of permits and thereafter to continue with the uninterrupted and consistent completion of the Works.

ii. carry out the Works under the supervision of the Architect, substantially in accordance with the plans, in terms of the PA Permit as may be amended or modified from time to time, to a good standard of workmanship, with good quality materials and in terms of local building custom.

iii. complete the Works by not later than the thirty-first (31st) day of January of the year two thousand and twenty-four (2024).

E2. The parties agree that the Works shall be deemed to have reached a particular stage of completion when the Architect issues a completion certificate under his signature and professional responsibility certifying that the Works have reached a particular stage, namely that the Apartment and Common Parts of the Block are in Complete State and the completion date shall be the date indicated as such on the certificate.

E3. The Vendor has the right, and the Purchaser accepts, to carry out such variations which may be required by the authorities or by the Architect in the interest of the structure and/or good design in the elevations and layout of the

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Building in general provided no substantial variations shall be effected in respect to the Apartment itself which shall affect the superficial area of the Apartment by more than five per cent (5%) and provided that the Apartment is always to remain a 2 bedroomed Apartment.

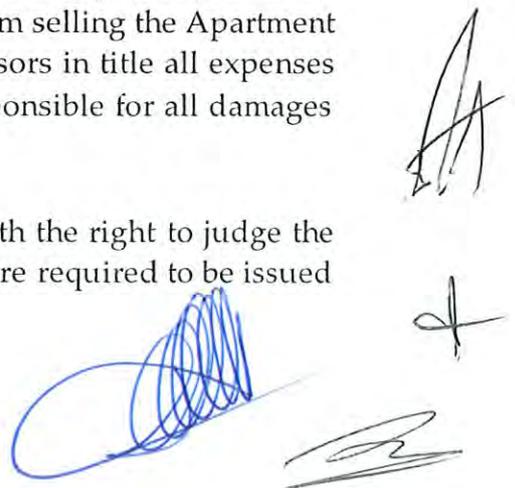
E4. The Vendor has the right, and the Purchaser accepts, to alter the specifications listed on the document hereto annexed as Documents C on condition that the alternatives offered are of similar or better quality.

E5. The Purchasers have the right to make reasonable changes to the specifications listed in Documents C. In this regard Purchasers undertakes to communicate to Vendor any such changes by not later than two (2) months from the issuance of the permit. In such case the Vendor shall notify the Purchasers of the added charge, if any, for such changes and should the Purchasers agree the Purchasers shall undertake in writing to pay the added charge together with the balance of price, when due. For the purposes of this paragraph "changes" shall include any addition or reduction to the Works and any alterations to the design, quantity or type of material to be used in the Works. Document C establishes the Prime Costs and the Purchasers shall have the right to select the materials of their choice within the Prime Cost. Should the Purchasers select other materials which cost more than the Prime Costs the excess shall be paid by the Purchasers. If the Vendor considers that any change involves the necessity of any extension of the time allowed for the Works, The Company shall so inform the Architect before proceeding with the changed Works; and the Architect shall decide whether to grant an extension accordingly.

E6. Should the Purchasers fail to communicate the changes by the date indicated in Clause E5 or to undertake to pay the added charge as stipulated in the said clause the Vendor shall proceed with the completion of the Apartment in accordance with the specifications listed in Documents C.

E7. If as a result of any infringement by the Company of its obligations arising from this Agreement the completion of the Apartment shall be hindered or the Apartment shall be refused by any authority water, electricity or other services or if the Apartment cannot be issued with the required compliance certificate or if the Purchasers or their successors in title shall be called upon to pay any fines or penalties or shall be in any way hindered or obstructed from selling the Apartment the Vendor shall indemnify the Purchasers or their successors in title all expenses incurred as a result of such infringement and shall be responsible for all damages which the Purchasers or their successors in title may suffer.

E8. The parties agree that the Architect shall be vested with the right to judge the execution of the Works and to issue the certificates which are required to be issued

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by him in terms of this agreement. The Architect shall, in the execution of his duties in terms of this Clause, act as an independent professional. The Architect's decisions in terms of this agreement in respect of any matter connected with the execution and progress of the Works and with the interpretation of the drawings and specifications shall be final and contractually binding on the parties hereto. The Parties agree that the Vendor shall procure from the Architect his acceptance to act in the manner as contemplated in this clause.

WARRANTIES OF THE VENDOR

F1. On the notarial deed of sale, the Vendor shall warrant the peaceful possession and full and unrestricted enjoyment of the property to be sold pursuant to this agreement and to further secure this warranty shall grant to the Purchasers a general hypothec on all its property present and future.

F2. On the notarial deed of sale, the Vendor shall also declare and guarantee in favour of the Purchasers, who accepts, that:

i. the Building has been constructed and completed and all alterations to the Building which require a permit have been made, in accordance with issued permits and plans approved by the competent authorities and that the Building in general and the Apartment in particular are in full compliance with issued permits and plans approved by the competent authorities and all building and sanitary laws and regulations;

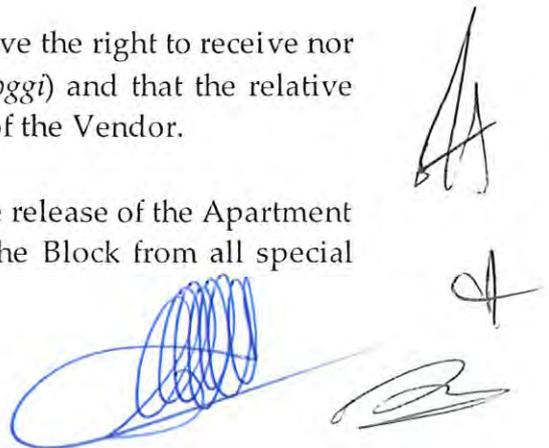
ii. all architect fees, building permit fees, road and drainage contributions, the payment of compensation of party walls and all fees and expenses due to contractors and suppliers relating to the Building have been paid;

iii. that there are no proceedings pending or threatened in connection and/or relating to the Building, and there are no circumstances, which are likely to give rise to any litigation or arbitration;

iv. the cost of the Works shall be borne exclusively by the Vendor and that the Vendor shall hold the Purchasers indemnified against any claims by any person in relation to such Works.

F3. The parties agree that the Purchasers shall neither have the right to receive nor the obligation to pay compensation for party walls (*appoggi*) and that the relative compensation shall remain to the advantage and expense of the Vendor.

F4. On the notarial deed of sale Vendor shall procure the release of the Apartment together with a Pro Rata share of the Common Parts of the Block from all special



hypothecs, special privileges, cautions, charges now or hereafter burdening the said property as well as from any other legal impediment.

THE CONDOMINIUM

G1. The parties agree that the ownership of the Apartment, by the Purchaser and by their successors in title, shall be subject to all the terms, conditions and regulations mentioned in Document E annexed to this agreement which terms, conditions and regulations are being imposed by the Vendor for its own benefit and for the benefit of its successors in title, including the owners of other apartments in the Block and in general for the benefit of the Condominium. For this purpose a Condominus, on the acquisition of property in the Building, shall on the deed of acquisition be required to promise and undertake to observe the said terms, conditions and regulations at all times and to impose them on his successors in title. The said terms, conditions and regulations shall, apart from the Purchasers and their successors in title, also bind tenants/possessors of the Apartment and the Purchaser or his successors in title shall be bound *in solidum* with such tenants/ possessors for any breach of such terms, conditions and regulations. These terms and conditions are attached to the ownership of the Apartment and shall follow the title to the property *ad infinitum* and are to be incorporated in all future transfers *ad infinitum*. The Vendor, its successors in title and the owners of apartments in the Block as well as the Administrator and any one who has an interest to ensure that these terms, conditions and regulations are observed, shall have the right to take all lawful action against the Purchasers or their successors in title in case of breach of such terms, conditions and regulations or any of them.

G2. The Purchasers qua *pro diviso* owners of the Apartment promise and bind themselves to observe the conditions listed in the document hereto annexed marked with the letter "E" and promise and undertake to include these conditions on any future deed of sale of the Apartment to third parties.

G3. The Vendor agrees and binds itself that all future sales or transfers by any title of apartments in the Block shall be made as subject to the terms and conditions listed in Document E hereto annexed and that until such time as it owns apartments in the said block of buildings the said terms and conditions shall be applicable to it as well.

G4. The parties refer to the Condominium Act and agree that save for the mandatory provisions which by virtue of the said Act must be observed in all cases of condominium the said Act shall apply to this deed only to the extent that it is not in conflict with this deed and the Documents attached herewith.

G5. The Vendor promises and undertakes, to call the first meeting of the Condomini in terms of the Condominium Act to appoint the Administrator and to deal with such matters as required by the said Act.

G6. The Vendor and the Purchasers undertake and bind themselves to abide by the rules and regulations relating to the administration of the condominium as set out in the Condominium Rules annexed to this deed as Document F.

G7. The Purchasers may, in so far as allowed by law or regulation or by the competent authorities, install air-conditioning compressors anywhere in their Apartment, including balconies, as well as in the shaft in the level of the Apartment. Provided the Purchasers agree not to hold the Company responsible should they be restricted from installing and maintaining these compressors by the neighbours or by other apartment owners in the Block of Apartments.

Term and Validity

H1. Save as hereunder provided this promise of sale agreement shall remain valid and effective up to and including the thirty-first (31st) day of January of the year two thousand and twenty-four (2024).

H2. This promise of sale agreement is subject to the following conditions;

(A) In view of the aforementioned PA application by the Vendor, this POS agreement is primarily subject to the issuance of the said PA permit for the development of a 2 bedroomed apartment on the proposed fifth floor level the subject of this POS, as well as a 2 bedroomed duplex penthouse on proposed six and seventh floor level of the airspace of the said building, bearing application PA no; 00970/23 and therefore subject to the issuance of the said permit;

(B) That the Purchasers obtain a loan from any commercial bank in Malta of their choice, to purchase the said property. Should such a loan facility not be granted to the purchasers, they shall have the right to terminate this agreement and be returned the deposit. In this regard the purchasers undertake to apply for the loan forthwith and shall pursue its successful outcome with all due diligence and good faith. Provided further that the purchasers shall be obliged to inform the vendors by not later than twelve (12) weeks from today, whether the loan facility has been granted or not.

(C) That once constructed an architect selected by the purchasers, inspects the property and verifies that it has been built with all the relative sanitary and building permits required at the time of its construction and according to the normal practices of the trade. The Purchasers retain the right to terminate this promise of

sale agreement and be returned the deposit, if their architect finds any objection in verifying the above for any valid reason at law. And;

(D) That on the notarial deed of sale the Apartment and the Common Parts are in a Complete State and certified as such by the Architect. In the event that the Apartment and the Common Parts of the Block are not in a Complete State and certified as such by the Architect, the Purchasers shall have the option either:

i. To agree to extend the validity period of this Agreement to a new date which shall be determined by the Architect to allow adequate time for the Vendor to complete the Works, in which case the extension must be in writing and the Vendor promises and undertakes to appear on the extension agreement on the request of the Purchasers; or

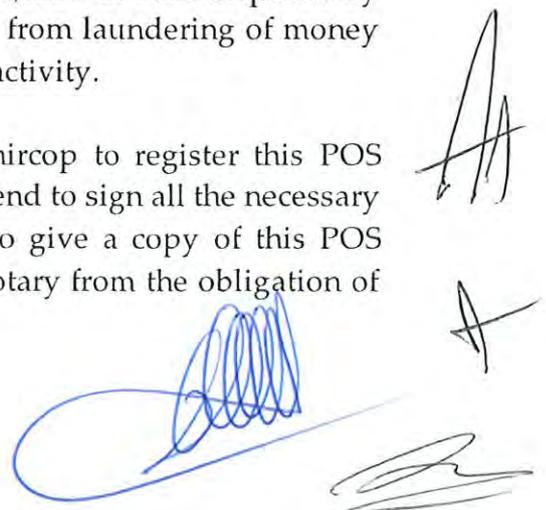
(ii) to rescind this Agreement and to be immediately refunded all amounts paid to the Vendor pursuant to this agreement without interest. It is expressly agreed and understood that the Purchaser's right to rescind this Agreement and to receive refunds of all amounts paid to the Vendor shall be in lieu of any other remedy that the Purchasers may have in the event of Vendor's default as aforesaid.

H3. For the purposes of the "Energy Performance of Buildings Regulations" of the year two thousand and twelve (2012), legal notice three hundred and seventy-six of the year two thousand and twelve (376/2012), the Vendor and the Purchasers declare and confirm that Notary Kristel-Elena Chircop explained to them their respective rights and obligations, resulting from these regulations, particularly the obligation of the Vendor to provide the Purchasers with an "Energy Performance Certificate" (EPC), regarding the property, at the expense of the same Vendor.

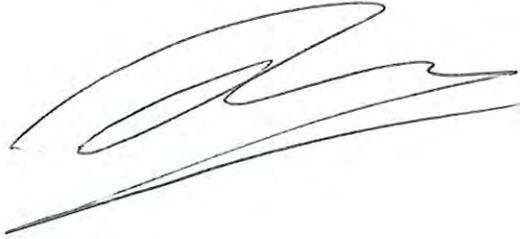
H4. The Vendor undertakes to provide, also at its expense by the final deed of sale, the Purchasers with the PA compliance certificate.

H5. For all effects and purposes at law particularly for the purposes of the Prevention of Money Laundering Act [*Chapter three hundred and seventy-three (373) of the Laws of Malta*], the Purchasers and the Vendor hereby declare and confirm that the property above-described shall/is not being acquired/has not been acquired by funds which derived or originated directly or indirectly from laundering of money or from any other act or acts of participation in criminal activity.

H6. The parties hereby authorise Notary Kristel E Chircop to register this POS agreement with the CFR as required by law and to this end to sign all the necessary paperwork required by the CFR on their behalf and to give a copy of this POS agreement to the CFR and therefore release the said Notary from the obligation of confidentiality.

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H7. On the notarial deed of sale, the Purchasers shall have the right to substitute a third party or parties in their stead, under the same terms and subject to the same conditions of this Agreement. Provided that throughout the validity period of this agreement and until the notarial deed of sale is published the juridical relationship shall continue exclusively between the Vendor and the Purchasers.



(A)

EXTRACT OF THE MINUTES OF A JOINT MEETING OF THE SHAREHOLDERS AND BOARD OF DIRECTORS OF UNITED GROUP LIMITED (THE "COMPANY") HELD ON THURSDAY 27 APRIL 2023 AT 9:30 A.M. AT THE REGISTERED OFFICES OF THE COMPANY

This is a true and faithful extract of the minutes of a joint meeting of the shareholders and the board of directors of the Company held on 27th April 2023 at 9:30 a.m. at the registered offices of the Company, wherein the shareholders and the board of directors of the Company considered and discussed the following:

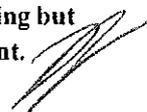
QUOTE:

THE SHAREHOLDERS AND THE DIRECTORS AFTER HAVING NOTED:

- (A) it is the intention of the Company, in its capacity as vendor, to enter into a promise of sale agreement and eventually into a sale agreement to sell and transfer the apartment internally numbered nine (9) on the fifth floor level of the block of apartments in Triq Zimmermann Barbaro corner with Triq Sant Antnin in Sliema, as better delineated on the attached plan, marked 'Exhibit A' (the "Property");
- (B) that within the context of the sale of the Property, the Company is required to enter into and execute a promise of sale agreement (the "Promise of Sale Agreement").

THE SHAREHOLDERS AND THE DIRECTORS RESOLVED:

- (1) to approve the entry into by the Company of the Promise of Sale Agreement;
- (2) that the entry into and execution by the Company of the Promise of Sale Agreement and any other document pertaining or ancillary thereto, as may be required, be approved;
- (3) that either Edmund Gatt Baldacchino, holder of identity card number 427668M, or Simon Gatt Baldacchino, holder of identity card number 399771M, acting singly, be authorised and appointed to:
 - (i) sign and execute the Promise of Sale Agreement on behalf of the Company;
 - (ii) accept, on behalf of the Company, any and all changes and amendments to the Promise of Sale Agreement and any other document or notice pertaining or ancillary thereto; and
 - (iii) generally, to sign and execute any and all other document or carry out any act on behalf of the Company which may be necessary or desirable for the better execution and implementation of the Promise of Sale Agreement, including but not limited to any ancillary agreements to the Promise of Sale Agreement.



UNQUOTE
True Extract



Donald Vella
Company Secretary

Date: 9/5/2023

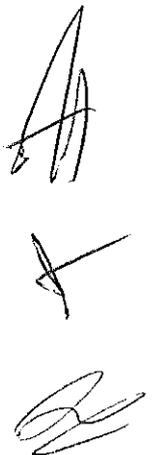
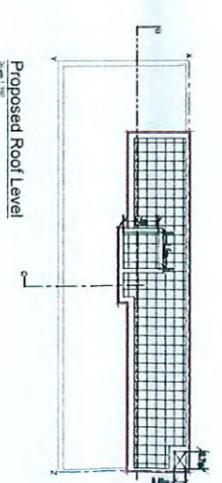
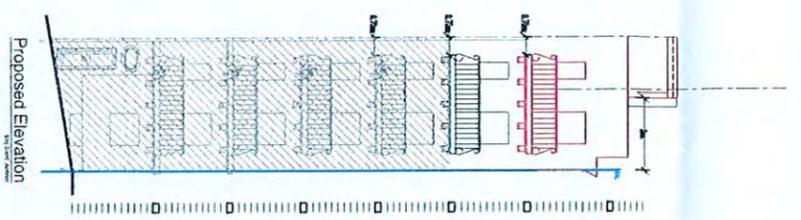
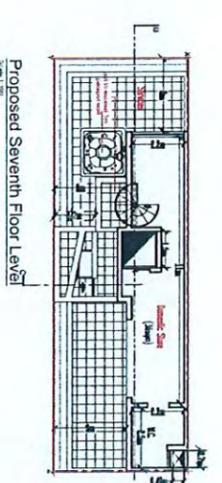
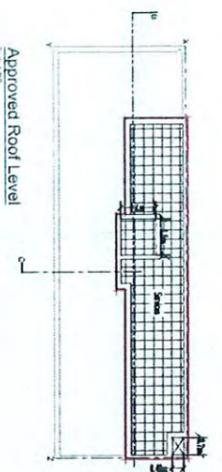
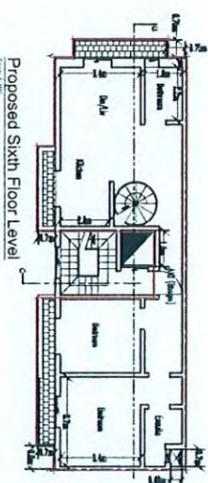
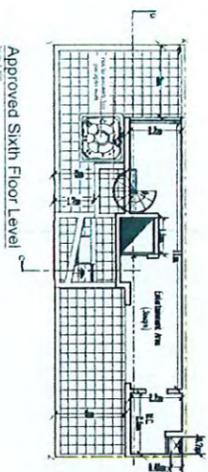
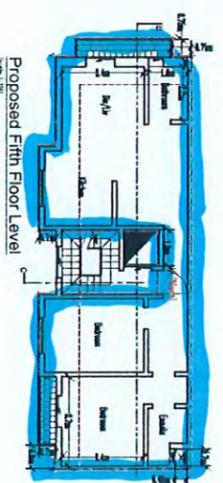
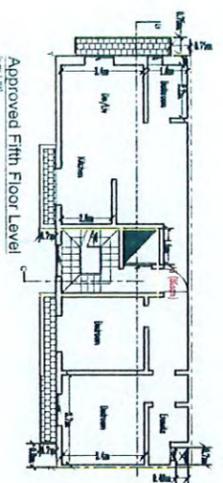


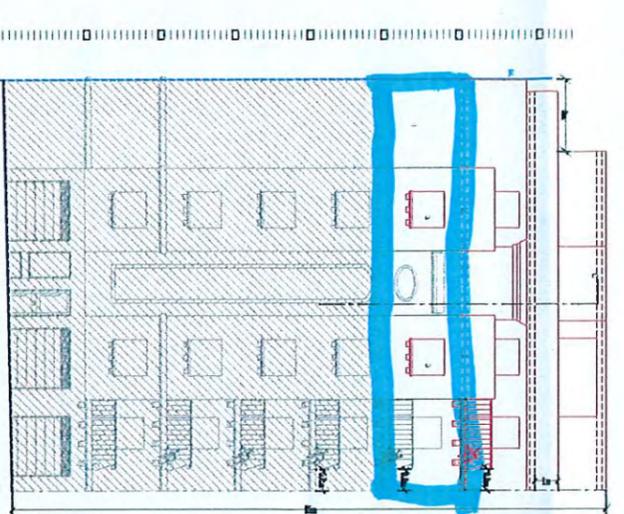
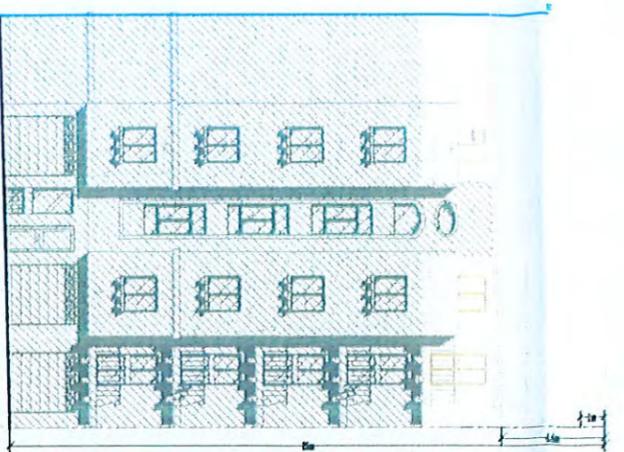
Exhibit A

A
A
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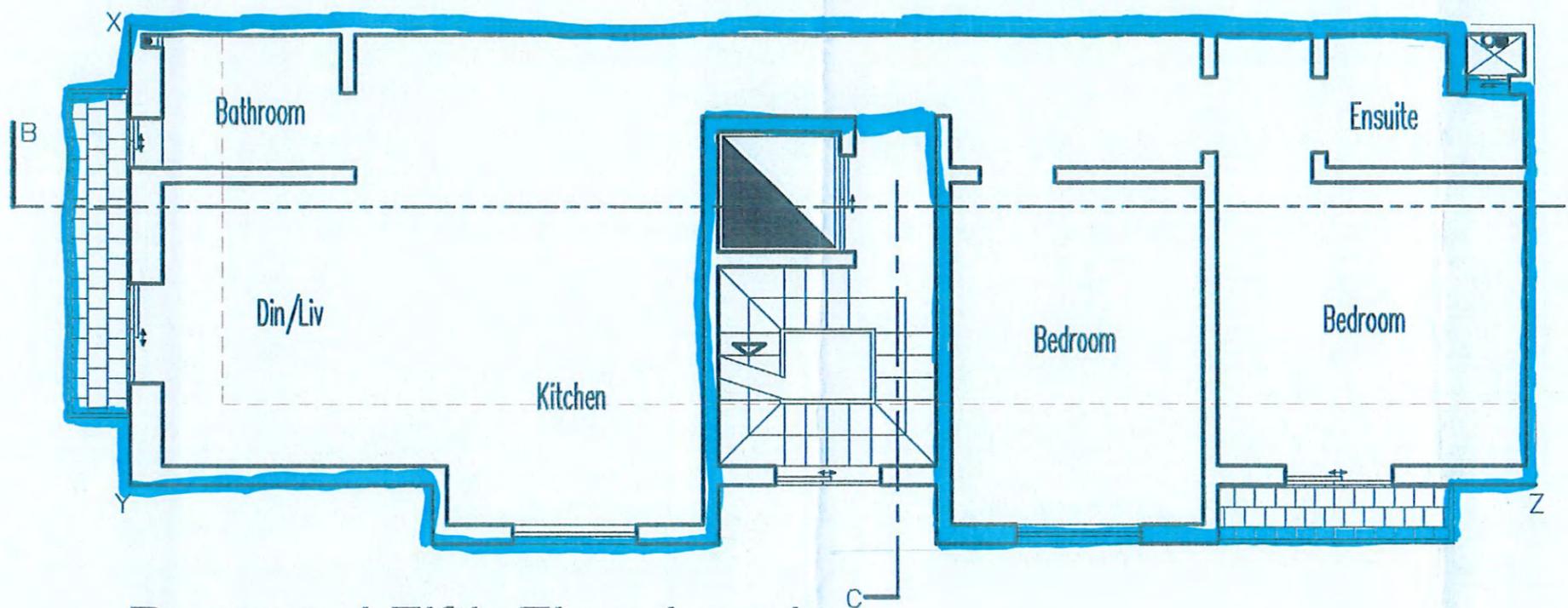
NO.	DESCRIPTION
1	Proposed Construction
2	Proposed Structure
3	Not Part of Application

1. Proposed Construction
 2. Proposed Structure
 3. Not Part of Application



JG CONSULTANTS, INC.
 1212 F Street, N.W.
 Washington, D.C. 20004
 Phone: (202) 462-1100
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81



Proposed Fifth Floor Level

Scale 1:100

JG PERITI

63, JL Building, Office 3,
Luqa Road, Paola PLA 9045,
Malta

T +356 2180 6548
M +356 7947 6329
E jg@jgperiti.com

[Handwritten signatures and initials]

'C'

SPECIFICATION LIST

1. Construction as per approved PA permit.
2. Facade and balcony rails to be supplied and finished with materials as per approved PA permit.
3. Water and electricity work for apartment.
 - 3.1. Electrical main supply from government meter to each apartment 10mm cable complete with ELCB and MCB's.
 - 3.2. Distribution single phase 16 module complete with MCBs.
 - 3.3. 3 A/C points, main supply and drain.
 - 3.4. 2 telephone points.
 - 3.5. 2 television points.
 - 3.6. 4 double plugs in each bedroom, 8 double plugs in kitchen/living.
 - 3.7. 1 lighting point in each room.
 - 3.8. 2 double poles 13 AMP.
 - 3.9. 1 cooker unit and 1 single plug for the hood.
 - 3.10. Water main supply with 15mm acorn pipes from government meter to storage tank
 - 3.11. 1 P.V.C water tank 500L for each apartment.
 - 3.12. 22mm acorn pipe from the storage tank to the bathroom, ensuite and kitchen.
 - 3.13. 50mm drains including bathroom, ensuite and kitchen.
4. Video hall porter preparations, 1 in apartment.
5. Drainage and rainwater pipes.
6. Floor drains in balconies. Balconies and terraces are to be waterproofed before tiling and well-drained directly via pipework to the main drain. Balconies, terraces & outdoor areas are to be drained via floor drains directly to the main rainwater or sewage as required by law.
7. Gypsum plastering made up of 2 coats of Gypsum rendering, 1 Finatura and 2 coats of whitewash water paint will be applied to all walls and ceilings.
8. Plastering external with 2 coats of external paint.





9. Supply and installation of internal and external floor tiles including skirting and all materials required. A budget of €16 including VAT. Price does not include laying. All external tiles in the block will all be of the same type, non slip, colour and quality.
10. Supply and installation of bathrooms. A budget of €5,000 including VAT.
11. Double glazed internal and external apertures.
12. Stairs and window sills supplied and installed with marble.
13. Main internal door to be supplied and installed.
14. New passenger Lift

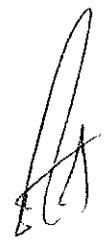



Document "E".

TERMS AND CONDITIONS REGULATING OWNERS OF APARTMENTS AT TRIQ ZIMMERMANN BARBARO, SLIEMA.

The Owners, means the owners and / or occupiers, from time to time, of the apartments which form part of the Block of Building defined in the preliminary agreement to which this document is annexed.

- a) The apartments shall be used for residential purposes or as an office or clinic but not as a retail outlet or for such other purpose that will cause unreasonable nuisance or inconvenience; the Garages shall be used for the parking of motor vehicles or other domestic use. This does not preclude letting of the apartments or of the Garages for short or long lets for the aforesaid purposes.
- b) No structural alterations whatsoever may be made in the Building without the approval of the Architect in charge of the construction of the Building, which approval shall not be unreasonably withheld, and any such alterations shall be carried out under his supervision.
- c) The Owners shall at all times ensure the maintenance of uniformity in the common parts including the façade of the Building; for this reason all external apertures as well as the wooden front door to each apartment shall be uniform in quality, colour and specifications and may only be changed with the permission of the Owners Association or in terms of the Condominium Act.
- d) The Owners may not affix any advertising signs or television or radio antennae or air-conditioning units on the outside walls of the Building.
- e) The Owners may not hang washing, carpets, and other objects from the balcony /windows of the Building overlooking the roads.
- f) Air-conditioning units may only be placed in places and in the manner indicated, from time to time, by the Architect.
- g) The Owners together with all the other owners of units in the Block shall take out an insurance policy to cover the whole Block of Apartments against explosion, fire, flooding and other perils with a



reputable insurance company and the premium shall be paid on a pro rata basis.

h) The Common Parts of the Block are to be kept clean and unobstructed at all times and the Owners shall not leave any personal belongings in the common parts.

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Document F

CONDOMINIUM RULES

1. Definitions

1.1. In this document, unless the context shall otherwise require, the following words and expressions shall have the following meanings:

"Act" means the Condominium Act, Act XXIX of 1997, Chapter 398 of the Laws of Malta, as from time to time amended, modified, extended, re-enacted or substituted;

"Administrator" means the person appointed as the administrator of the condominium in terms of the contract to which this document is attached and/or the provisions of the Act, as the case may be;

"Common Parts" means the common parts of the condominium as defined in the Deed of title;

"Condominus" means the owner of a separate unit in the condominium and includes the emphyteuta or the usufructuary of such unit and "Condomini" shall be interpreted accordingly;

"Costs" means the sum of all the expenditure relating to the management and administration of the condominium including, without limitation, the costs relating to the preservation, protection, insurance, cleaning, upkeep, maintenance, redecoration, ordinary and extraordinary repairs, for the enjoyment of the Common Parts, for the rendering of services in the common interest and for any alterations in or improvements in the Common Parts, fees for the keeping of accounts and the audit of such accounts and professional fees of consultants and advisers properly incurred in connection with matters relating to the above but shall not include the Administrator's office overhead and out-of-pocket expenses;

"Fees" means the fees payable to the Administrator in terms of Rule 6.1 of these Rules;

"Register of Condomini" means the register of Condomini and their representatives required to be kept by the Administrator under these Rules and the provisions of the Act.

"these Rules" means the rules contained in this document.

1.2 These Rules shall apply separately to each separate condominium referred to in the contract to which this document is attached and shall be construed accordingly.

1.3 It is intended that a reading and construction of these Rules will not be inconsistent and/or in conflict with the provisions of the Act or with the provisions of the contract to which this document is attached but in the event of any inconsistency or conflict between these Rules and any provisions of the Act or any provision of the contract to which this document is attached the inconsistency or conflict shall be resolved by giving such provisions the following order of preference:

1.3.1 the provisions of the Act which are by law applicable notwithstanding any agreement to the contrary;

1.3.2 the provisions of the contract to which this document is attached and of Schedule One attached to the same contract;

1.3.3 the provisions of these Rules;

1.3.4 the provisions of the Act other than those mentioned in Rule 1.3.1 above.

2. Register of Condomini

2.1 Each Condominus, upon becoming a condominus of the condominium, shall indicate to the Administrator his name and address as well as evidence as to his title to the relative unit in the condominium, and, if available, his facsimile number and e-mail address. Upon such evidence as to title to the unit being produced, as may from time to time properly be required by the Administrator, the above-mentioned details shall be entered in the Register of Condomini.

2.2 A Condominus may appoint a representative who, on being entered into the Register of Condomini, shall be the person to whom any notice, including notices of meetings of the Condomini, is to be served and who shall represent the Condominus and his unit during a meeting of the Condomini. For this purpose, the Condominus shall indicate to the Administrator the representative's name and address and if available, his facsimile number and e-mail address to be entered in the Register of Condomini. Upon such evidence as to such appointment being produced as may from time to time properly be required by the Administrator, the above-mentioned details shall be entered in the Register of Condomini.

2.3 Where a unit is owned by more than one Condominus, the Condomini owning that unit shall indicate to the Administrator the name and address and, if available, the facsimile number and e-mail address of the person who, on being entered into the Register of Condomini, shall be the person to whom any notice, including notices of meetings of the Condomini, is to be served who shall represent that unit during a meeting of the Condomini. For this purpose, the said Condomini shall indicate to the Administrator the representative's name and address and if available, his facsimile number and e-mail address to be entered in the Register of Condomini. Upon such evidence as to such appointment being produced as may from time to time properly be required by the Administrator, the above-mentioned details shall be entered in the Register of Condomini. Such representative shall continue to represent the Condomini jointly owning the same unit until such time as the said Condomini agree to substitute the representative and inform the Administrator accordingly.

2.4 The representative appointed under Rules 2.2 and 2.3 above shall be responsible towards the Administrator, jointly and severally with the Condomini he represents, for all the obligations relating to the unit.

3. Functions and Powers of the Administrator



3.1 The Administrator shall do and perform all services, acts and other things necessary or advisable to manage and administer the condominium.

3.2 In connection with such management and administration, the Administrator shall, subject to any mandatory provisions of the Act, have all such powers and authority which are necessary, ancillary, conducive or advisable in relation to the management and administration of the condominium which shall include but not be limited to the following:

3.2.1 to execute the decisions of the meeting of the Condomini and to ensure the observance of the rules and regulations regulating the condominium;

3.2.2 to regulate the use of the Common Parts and the performance of services in the common interest, in such a way that all the Condomini are assured the maximum benefit possible;

3.2.3 to perform such acts, including the provision of services, as are necessary or advisable for the preservation, protection, cleaning, upkeep, maintenance, redecoration and ordinary and extraordinary repairs of the Common Parts;

3.2.4 to apportion the Costs and Fees in the manner set out in these Rules;

3.2.5 to collect the contributions from the Condomini and, if deemed necessary or advisable by the Administrator, to set up and maintain a floating fund to which the Condomini shall contribute their share;

3.2.6 to claim or receive monies or interest;

3.2.7 to take the necessary steps to have in force an adequate insurance of the condominium;

3.2.8 to prepare, negotiate, make, sign, renew, amend, perform and cancel agreements, contracts, cheques, promissory notes, bills of exchange, or other negotiable instruments, or other documents and instruments in connection with the management and administration of the condominium;

3.2.9 to engage, where necessary, consultants and advisers;

3.2.10 to perform such other acts which are necessary, ancillary, conducive or advisable in relation to the above;

3.2.11 to perform its obligations under these Rules and do all the above through attorneys, agents, independent contractors, sub-contractors and employees.

3.3 In matters relating to the Common Parts, the Administrator has the representation of all the Condomini and has also the judicial and legal capacity to sue the Condomini or third parties and to be sued with regard to any matter concerning the Common Parts and to accept service of any order made by any authority on matters which concern the Common Parts. Provided that if the writ of summons, judicial act or order relates to a matter which though related to the condominium goes beyond the functions of an administrator of a condominium in terms of the Act, the Administrator shall



be bound to inform without delay the Condomini and to convene a meeting of the Condomini to discuss the matter.

4. Duties of the Administrator

4.1 The Administrator shall carry out its functions and perform its obligations in terms of this Agreement and the Act with due diligence.

4.2 The Administrator shall keep the following registers:

4.2.1 the Register of Condomini, it being understood that it shall be the obligation of each Condominus to furnish his name and postal address or that of his/their representative as well as their facsimile number or e-mail address to the Administrator as provided in Rule 2 above and it shall not be incumbent on the Administrator to obtain such details itself;

4.2.2 a register containing the minutes of all the meetings of the Condomini;

4.2.3 a register containing a record of the posting of notices sent to the Condomini and their representatives; and

4.2.4 a register containing a copy of all notices, decisions and directives affixed on the notice board in terms of Rule 4.3 below with the relative dates of their affixing. On termination of his appointment, the Administrator shall hand over the said registers to the new administrator.

4.3 In addition to the requirement to affix notices on the notice board as stated in Rule 4.4 below, any notice which the Administrator is bound to give to the Condomini, including notices of meetings of the Condomini, shall be presumed to have been validly given if such notice is sent by registered mail to the Condominus or the representative (if any) registered in the Register of Condomini and such notice shall, for all intents and purposes of law, be considered to have been served three (3) days after posting if the address is in Malta and seven (7) days after posting if the address is overseas: Provided that no notice shall be required in respect of a Condominus who does not indicate his postal address or that of his representative in accordance with Rule 2 above: Provided further that the Administrator may, instead of sending the said notice by registered mail, send it by facsimile transmission or by any other electronic means in which case the notice shall be considered to have been served the day after it has been so transmitted.

4.4 The Administrator shall ensure that a notice board is fixed in a prominent place in the Common Parts and shall affix on such board the notices of all meetings of the Condomini, all the decisions taken during the said meetings as well as any decision or directive which he deems to be of such importance that requires that they be brought to the notice of the Condomini.

4.5 The Administrator shall convene, chair and keep minutes of all meetings of the Condomini. Without prejudice to Rule meetings shall be convened as the Administrator may deem necessary or desirable.

4.6 The Administrator shall:



4.6.1 convene and hold a meeting of the Condomini at least once annually for the purposes stated in section 21 of the Act;

4.6.2 render annual accounts in relation to all monies spent and received relating to the management and administration of the condominium to the Condomini at the meeting referred to in Rule 4.6.1 above which accounts are to be audited by Certified Public Auditors;

4.6.3 keep or procure the keeping of proper management accounts relating to the management and administration of the condominium;

4.6.4 prepare the estimates of Costs and Fees to be incurred during the year and submit such estimates for the approval of the meeting referred to in Rule 4.6.1 above;

5. Meetings of the Condomini

5.1 Meetings of the Condomini shall be held as required by the Act and when convened by the Administrator or by the Condomini in accordance with these Rules. No meeting shall be held before the expiry of seven (7) days from the service of the notice in terms of Rule 4.3 above and from the affixing of the notice in terms of Rule 4.4 above.

5.2 A Condominus may be represented during a meeting by a proxy who during the meeting shall have the same rights and obligations as the Condominus represented by him. The condominus shall appoint a proxy by means of a written instrument. An instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall be deposited with the Administrator at the commencement of the meeting. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution except at an adjourned meeting or on a poll demanded at a meeting or adjourned meeting in cases where the meeting was originally held within twelve months from that date.

5.3 The *quorum* for a meeting shall be a number of Condomini representing two-thirds of the units. If within half an hour from the time appointed for the meeting a *quorum* is not present, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Administrator may indicate beforehand in the notice convening the meeting; and if at the adjourned meeting a *quorum* is not present within half an hour from the appointed time the Condominus or Condomini present or represented in that meeting shall be a *quorum*.

5.4 Decisions taken at a meeting shall be valid if approved by the required majorities in terms of the Act and shall be binding on all the Condomini. Each Condominus, or, in case of a unit owned by more than one Condominus, the Condomini jointly through their representative, shall be entitled to one vote in respect of each unit in the condominium held by them and in respect of which they are registered in the Register of Condomini. If the Administrator is a Condominus he shall be entitled to the said vote/s.



5.5 The meeting shall be chaired by the Administrator. In his absence, any Condominus as decided at the beginning of the meeting shall chair the meeting. The chairman of the meeting shall have, in the case of a tie, a casting vote. Provided that if the Administrator is not a Condominus, he shall have no original vote but only a casting vote in the case of a tie.

5.6 Any Condominus who disagrees with a decision of the meeting on the grounds that the decision is contrary to law or to the Rules and Regulations of the condominium or is unreasonable or oppressive may refer the matter to arbitration in terms of article 23 of the Act.

6. Compensation to Administrator

6.1 The Administrator may receive a fee as compensation for the performance of its functions and obligations under these Rules. The annual meeting of the Condomini shall determine whether the Administrator shall be paid for its services or whether the post shall be held on a voluntary basis. If the meeting decides that a fee should be paid to the Administrator the meeting shall determine the annual fee for the following year. In case of disagreement on the quantum of the fee the Administrator shall be paid an annual fee equivalent to ten per cent (10%) of the Costs by way of full compensation for the performance of its functions and obligations under these Rules.

6.2 Each Condominus shall be liable towards the Administrator to contribute his share of the Costs and Fees as set out in these Rules. A Condominus may not oppose a demand (including a demand made in judicial or arbitral proceedings) for the contribution of Costs and Fees on the grounds of any defect, delay or any shortcoming in any works carried out in the Common Parts. If any Condominus fails to pay his contribution to Costs and Fees within the time mentioned in Rule 6.3 below interest at the maximum rate permissible by law from time to time shall run on the amount or balance thereof due.

6.3 Each Condominus shall, upon becoming a condominus of the condominium, pay to the Administrator an amount equivalent to his share of the estimate of the Costs and Fees (calculated as stated hereunder) for one year in advance; the said payment shall be made together with the details he is bound to furnish to the Administrator in terms of Rule 2.I. Thereafter, each Condominus shall pay annually in advance to the Administrator, by not later than four weeks from written demand, his share of the estimate of the Costs and Fees based on the approved estimates of Costs and Fees referred to in Rule 4.6.4 above and apportioned in accordance with these Rules. Any under or over payment, which may result due to any discrepancy in the annual payment between estimated and actual Costs and Fees, shall be added or deducted (as the case may be) in the subsequent annual contribution due. The Administrator shall deposit the contributions received in a savings account except for a petty cash account which may be retained by the Administrator for day-to-day expenditure.

6.4 Nothing in these Rules shall oblige or bind the Administrator in the performance of its obligations to incur any expenditure from funds other than from the estimated Costs received and/or collected in advance by the Administrator.



7. Apportioning of Costs and Fees

7.1 To calculate the contribution of the Costs and Fees payable by each Condominus in respect of each unit, Costs and Fees are to be divided in accordance with the Pro Rata share *pro indiviso* in respect of each such unit held by each such Condominus, as specified in the deed of title. In the event that any unit is interconnected or joined with any other unit (s) the said units shall continue to be considered as separate and distinct units.

7.2 Where the Costs are made with respect to anything that serves the Condomini in an unequal measure, the said Costs shall be apportioned in proportion to the use that each one can make.

7.3 The Administrator shall insure the condominium against any damage and/or destruction and the premium shall form part of the Costs. Provided that each Condominus shall have the right to make additional insurance at his own expense in respect of his individual unit.

7.4 When a ceiling is the ceiling of a lower storey and the floor of a higher storey of a condominium, the costs incurred for the maintenance and ordinary and extraordinary repairs of such ceiling shall be borne as to one-half by the Condominus of the lower storey and as to the other half by the Condominus of a higher storey: Provided that.

7.4.1 the Condominus of the higher storey shall bear all the costs connected with the laying of the paving of the floor;

7.4.2 the Condominus of the lower storey shall bear the costs for the painting and decoration of the ceiling as well as for any services above the roof relating to the lower storey;

7.4.3 where the higher storey or the lower storey forms part of the Common Parts, the costs referred to in 7.5.1 and 7.5.2 in respect of the storey which is a Common Part, shall be borne by the administrator on behalf of the Condomini.

7.5 A Condominus who incurs costs without having been authorised in writing to incur those costs by the Administrator or by the meeting does not have a right to be reimbursed for the said costs, unless they were of an urgent and essential nature. Where no agreement is reached on whether the costs were of an urgent nature, the matter shall be referred to arbitration.

8. Applicable Law and Arbitration

8.1 These Rules shall be read and construed in accordance with Maltese Law.

8.2 Any dispute arising hereunder shall be referred to arbitration in terms of the Act.



APPENDIX 8
COST ESTIMATE

COST ESTIMATE

01. Estimate of works

Item	Quantity	Unit	Rate	Amount	Description	
Site preparation works				€0.0		
Site clearance	Total			€0.0	Incl. carting away of debris	
Site clearance	Total	0.0	m ² (GEA)	€10.0	€0.0	Catered for in demolition works below
Stripping works	Internal areas	0.0	m ² (GEA)	€15.0	€0.0	
	External areas	0.0	m ² (GEA)	€5.0	€0.0	Incl. roof finishes
Demolition works	Total			€0.0	Incl. carting away of debris	
Full structure		0.0	m ² (GEA)	€100.0	€0.0	
Excavation works	Total			€0.0	Incl. carting away of debris	
Excavation works	Soil	0.0	m ³ (CC)	€40.0	€0.0	Caters for site clearance
	Rock	0.0	m ³ (CC)	€50.0	€0.0	Franka (assumes no existing reservoir)
	Local	0.0	m ³ (CC)	€120.0	€0.0	Clay; Incl. reservoir/ sump and lift pits
Rock bolting		€0.0	Sub-total	0.0%	€0.0	For fissures (catered for in contingency)
Civil works				€30,125.5		
Substructure	Total			€0.0	Above sea level and water table	
Foundations	Level -1	Building	0.0	m ² (GEA)	€150.0	€0.0
		Land	0.0	m ² (GEA)	€75.0	€0.0
Reservoir			0.0	m ² (GEA)	€0.0	€0.0
Superstructure	Total			€30,125.5	Assuming no potential for additional floors	
Basement levels	Total			€0.0		
	All levels	Internal		m ² (GEA)		€0.0
Above street level	Total			€30,125.5		
Level 6	Internal	94.6	m ² (GEA)	€180.0	€17,035.2	Single-height
	Projections	5.0	m ² (GEA)	€90.0	€450.0	Open balcony projections
Level 7	Internal	35.0	m ² (GEA)	€180.0	€6,303.6	Single-height
	Projections	9.8	m ² (GEA)	€1.0	€9.8	Open balcony projections
Roof		46.9	m ² (GEA)	€70.0	€3,283.0	Kontrabejt, insulation, waterproofing...
Level 8	Roof	36.2	m ² (GEA)	€70.0	€2,533.3	Kontrabejt, insulation, waterproofing...
	Parapet	34.0	m (linear metre)	€15.0	€510.6	
Building finishes and services				€147,315.3		
Façade works	Total			€30,431.6		
Finishes	Cladding & features	0.0	m ² (surface area)		€0.0	
	Plastering & painting	102.3	m ² (surface area)	€20.0	€2,045.6	
	Party walls	130.0	m ² (surface area)	€10.0	€1,300.0	Plastering & painting
Apertures	Main door/s	0.0	No.		€0.0	Incl. antiporta
	Garage door/s	0.0	No.		€0.0	
	External apertures	37.1	m ² (surface area)	€350	€12,978.0	
Scaffolding	Main façade	620.0	m ² (surface area)	€14.0	€8,680.0	
	Setback façade	0.0	m ² (surface area)	€10.0	€0.0	
	Party walls	130.0	m ² (surface area)	€14.0	€1,820.0	
Other	Railings	18.0	m (linear metre)	€200.0	€3,608.0	
Internal areas	Total			€104,130.0	Incl. M&E	
Internal areas*	Parking	0.0	m ² (GEA)		€0.0	
	Residential	202.5	m ² (GEA)	€250.0	€50,630.0	Semi-finished state (excl. int. doors & WCs)
	Common areas	2.0	No. (stops)	€6,000.0	€12,000.0	Finished state
Vertical circulation	Passenger lift/s	8.0	No. (stops)	€5,000.0	€40,000.0	1 passenger lift (incl. door finishes)
	Spiral staircase	1.0	L.S.	€1,500.0	€1,500.0	For the duplex penthouse (2 flights)
Other plant items	Reservoir	0.0	L.S.	€0	€0.0	Catered for in contingency allowance
External areas	Total			€12,753.7	Incl. M&E	
External areas	Balconies	14.8	m ² (GEA)	€150.0	€2,226.0	Excl. penthouse terrace
	Terrace	61.7	m ² (GEA)	€150.0	€9,261.0	
Roof	Total	36.2	m ² (GEA)	€35.0	€1,266.7	Excl. of renewable energy sources
FF&E				€0.0		
FF&E	Total	2.0	No. (units)	€0	€0.0	Movable furniture, fixtures & equipment

Notes: N/A

02. Estimate of works , cont.						
Item	Quantity	Unit	Rate	Amount	Description	
Site preparation works				€0.0	From Table 1	
Civil works				€30,125.5	From Table 1	
Building finishes and services				€147,315.3	From Table 1	
FF&E				€0.0	From Table 1	
Contingency allowance	€177,440.8	Sub-total, 1	10.0%	€17,744.1	Excludes FF&E	
Preliminaries	€195,184.9	Sub-total, 2	7.5%	€14,638.9	AKA ancillary costs	
Professional fees				€7,843.8		
Professional fees	Total			€7,843.8		
	Planning and civil	€33,138.1	Civil works	9.0%	€2,982.4	Incl. site supervision
	Finishes	€162,046.8	Finishes and M&E	3.0%	€4,861.4	Incl. M&E building services
Project management	Total	€195,184.9	Sub-total, 2	0.0%	€0.0	
VAT	€217,667.6	Sub-total, 3	18.0%	€39,180.2	Not recoverable	
Planning fees				€0.0	VAT exempt; From L.N. 126 of '13	
Screening	Total		L.S.	€50.0	€0.0	Already paid
Demolition	Total		L.S.	€0.0	€0.0	Already paid
Construction of buildings	Total			€0.0	€0.0	Already paid
	Commercial (+ext.)		m ² (site area)	€4.4	€0.0	
	Commercial (+ext.)		m ² (GFA)	€12.0	€0.0	
	Apartments		m ² (GFA)	€5.7	€0.0	Incl. maisonettes & terraced houses
	Penthouse		m ² (GFA)	€21.6	€0.0	
	Garages		m ² (GFA)	€5.7	€0.0	
Minor amendment	Total		No.	€0.0	€0.0	Assumed that no minor is required
UIF contribution				€2,500.0	UIF/ CPPS; From PA Circular 2/18	
UIF contribution	1 - 2 car/s	1.0	No. (car/s)	€2,500.0	€2,500.0	
	3 - 9 cars	0.0	No. (car)	€6,000.0	€0.0	
	10+ cars	0.0	No. (car)	€9,000.0	€0.0	
Net Development Costs, NDC				€259,347.7	aka Construction Costs and Fees	
NDC, rounded to say				€260,000	Day-One Costs, DOC @ 18.04.23	

Source: Archi+

03. Assumptions and conditions

Item	Description
Rates	The rates do not take into account special rates which individual customers might advantage themselves through their direct business or personal goodwill.
Development costs	It is not normal in basic residual valuations to incorporate expected construction cost changes (in line with the approach to GDV). Current values and costs at the Valuation Date are normally utilised.
Grants and funds	Options for grants have been ignored.
Deleterious materials	The existing Property is free from latent defects and no deleterious materials have been used in its construction.
Contamination	We have assumed for the purpose of this valuation that no toxic, hazardous substances or any deleterious of any kind is present in or on the Property. Any subsequent identification of such substances may have a significant effect on value.
Public utility services	The Property is connected, or capable of being connected without undue expense, to the public utility services of electricity, water, telephones and sewerage, as it is located within the urban fabric.
Structure	We have assumed that the existing structure can cater for additional loads; and that the new structure cannot take additional loads
Incurred costs	We have calculated all costs which will be incurred throughout the full timeline of the project, however we have included any expenses already incurred by the Client which are transferable.
VAT	It is to be noted that the VAT element of the cost estimate may be recoverable, in part or in full, but is retained as a whole for the scope of this exercise. Construction cost and professional fees in the EOW are inclusive of VAT at 18%, whilst planning fees are exclusive of VAT.
Measurements	Following the Valuation Standards (Code of measuring practice: Applications), the Gross External Area (GEA; also referred to as IPMS 1 or Gross Floor Area, GFA) has been utilized to at the method of measurement in the EOW.

APPENDIX 9
COMPARABLE EVIDENCE



COMPARABLE EVIDENCE

Comparable analysis matrix												
Capital values: Residential												
Comparable	1	2	3	4	5	6	7	8	9	10	Mean	
Reference												
Data type	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	
Date	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	
Source	REMAX	REMAX	REMAX	REMAX	REMAX	Zanzi	Zanzi	BenEstates	FrankSalt	FrankSalt		
Source reference	240171006-2042	240351001-55240	240221049-49	240221049-48	240151029-667	23244	50503	BSAPT177780	321767	711656		
Comment										Sold		
Description												
Town	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	
Zone				Prime								
Property type	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment	Apartment	
Description												
Number of bedrooms*	2	2	2	2	2	2	2	2	2	2	2	
Number of bathrooms	2	1	2	2	2	2	1	2	3	1		
Airspace / roof												
No. of cars		Optional	Optional	Optional		Optional						
Title	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	
Occupation	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	
EPC rating												
Status	Complete	Complete					Complete	Complete	Under Construction	Complete	Complete	
Finish state	Fully	Semi	Semi	Fully	Semi	Semi	Fully	Semi	Semi	Fully		
Level of finish	Good	Good	Good	Good	Good	Good	Decent	Good	Good	Good		
Furnished	Fully						Fully			Fully		
Special factors												
Block quality												
Communal facilities												
Lift	Yes	Yes		Yes		Yes	Yes	Yes	Yes	Yes	Yes	
Floor level/s	3		5	4				5				
View								Side sea				
Measurements												
GEA: Internal, m ²	100.0%	70	74	78	130	100					100	
GEA: External, m ²	35.0%	12	3	24	40	11					3	
GEA: Total, m ²		82	77	102	170	111	159	76	102	95	103	108
GEA: Weighted area, m ²		74	75	86	144	104	159	76	102	95	101	102
Amount												
Capital amount	€395,000	€380,000	€478,000	€574,000	€370,000	€525,000	€265,000	€600,000	€303,000	€330,000	€432,222	
Basis	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	
Adjustments												
Negotiation	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	
Parking	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	
Furnishings and/ or features	-5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Finish, floor and/ or condition	-5%	0%	0%	-5%	0%	0%	15%	0%	0%	0%	-5%	
Location and/ or view	0%	0%	0%	0%	0%	0%	0%	-20%	0%	0%	0%	
Size and/ or accommodation	-10%	-10%	-5%	10%	0%	15%	-10%	0%	0%	0%	10%	
Adjusted rates												
Adjusted capital amount	€352,923	€376,200	€451,710	€441,693	€333,000	€401,625	€301,703	€432,000	€272,700	€253,935	€361,749	
/ bedroom	€176,461	€188,100	€225,855	€220,847	€166,500	€200,813	€150,851	€216,000	€136,350	€126,968	€180,874	
/ m ² (weighted area)	€3,892	€4,101	€4,730	€3,749	€3,207	€3,417	€3,248	€4,235	€2,871	€3,071	€3,652	
Notes: *Single bedrooms count as 0.75 Legend: Poor quality or low amount ; Good quality or high amount												



COMPARABLE EVIDENCE

Comparable analysis matrix											Capital values: Residential	
Comparable	1	2	3	4	5	6	7	8	9	10	Mean	
Reference												
Data type	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	Listing	
Date	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	29.05.23	
Source	Remax	Remax	Remax	Remax	Remax	Alliance	BenEstates	BenEstates	BenEstates	BenEstates		
Source reference	240191026-665	240151029-669	240221028-350	240351002-840	240171006-1847	SPTH1117728	BSPTH66532	BSPTH68657	BSPTH105833	BSPTH132624		
Comment												
Description												
Town	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema	Sliema		
Zone						Prime						
Property type	Penthouse	Penthouse	Penthouse	Penthouse	Penthouse	Penthouse	Penthouse	Penthouse	Penthouse	Penthouse		
Description				Corner								
Number of bedrooms*	2	1.75	2	2	2	2	2	2	2	2		
Number of bathrooms	2	2	2	1	1	2	2	1	2	2		
Airspace / roof	Development potential											
No. of cars	1		1									
Title	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold		
Occupation	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant	Vacant		
EPC rating												
Status	Complete	Complete	Complete	Complete	On Plan	Complete	On Plan	On Plan	Complete	On Plan		
Finish state	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good		
Level of finish	Fully	Semi	Fully		Fully	Semi	Semi	Semi	Fully	Fully		
Furnished												
Special factors				Pool								
Block quality												
Communal facilities												
Lift				Yes								
Floor level/s				8								
View								Distant Sea view				
Measurements												
GEA: Internal, m ²	100.0%	114	72	114	95	90		107	82	80	65	
GEA: External, m ²	35.0%	36	40	25	72	93		34	43	12	17	
GEA: Total, m ²		150	112	139	167	183	89	141	125	92	82	128
GEA: Weighted area, m ²		127	86	123	120	123	89	118	97	84	71	104
Amount												
Capital amount	€650,000	€350,000	€530,000	€595,000	€795,000	€350,000	€595,000	€795,000	€550,000	€399,000	€578,889	
Basis	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	
Adjustments												
Negotiation	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	
Parking	-€40,000	€0	-€40,000	€0	€0	€0	€0	€0	€0	€0	€0	
Furnishings and/ or features	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Finish, floor and/ or condition	-20%	0%	-5%	0%	-10%	0%	0%	0%	0%	-5%	0%	
Location and/ or view	0%	0%	0%	0%	0%	0%	0%	0%	-25%	0%	0%	
Size and/ or accommodation	5%	10%	0%	5%	0%	-5%	0%	0%	-5%	-10%		
Adjusted rates												
Adjusted capital amount	€414,200	€283,500	€415,150	€508,725	€643,950	€330,750	€535,500	€536,625	€493,763	€395,010	€455,717	
/ bedroom	€207,100	€162,000	€207,575	€254,363	€321,975	€165,375	€267,750	€268,313	€246,881	€197,505	€229,884	
/ m ² (weighted area)	€3,616	€4,029	€3,382	€4,678	€5,255	€3,362	€4,523	€5,529	€5,315	€4,555	€4,424	

Notes: *Single bedrooms count as 0.75

Legend: Poor quality or low amount; Good quality or high amount

APPENDIX 10
VALUATION CALCULATIONS



VALUATION CALCULATIONS

Valuation Date: 29.05.2023

01. Market research summary

Property type and description							Value			Rate (/ m ²)			
Town	Type	State	Finish	FF&E	View	Quantity	Size	Low	Mean	High	Low	Mean	High
Capital values													
Sliema	Apartment	All	Semi***	No	Urban	2 (bedrooms)	102 (74-144)	€270,000	€360,000	€450,000	€2,900	€3,650	€4,250
	Penthouse**	All	Semi***	No	Urban	2 (bedrooms)	104 (71-127)	€330,000	€455,000	€535,000	€3,350	€4,425	€5,300

Notes: *m² (Weighted area - GEA); **Penthouses are inclusive of the roof and airspace; ***Semi-finished to a good level of finish
Source: Archi+ (via various listings retrieved in Q2, 2023)

02. Gross Development Value

Level	Use	Zone	Finish	View	Qty.	Unit	Rate	Amount	Comment	
Apartment (corner)*							€316,820.0			
5	Residential	Internal	Prime	Semi	Side-sea	86.5	m ² (GEA)	€3,500	€302,855.0	2 double bedrooms
			Prime	Fully	Side-sea	3.0	m ² (GEA)	€3,500	€10,430.0	Open balcony
		External	Prime	Fully	Urban	2.0	m ² (GEA)	€1,750	€3,535.0	Open balcony
Penthouse (corner & duplex)							€547,748.5			
6	Residential	Internal	Prime	Semi	Side-sea	81.5	m ² (GEA)	€3,900	€317,928.0	2 double bedrooms
			Secondary	Semi	Urban	3.4	m ² (GEA)	€1,300	€4,394.0	Spiral staircase
		External	Prime	Fully	Side-sea	3.0	m ² (GEA)	€3,900	€11,622.0	Open balcony
			Prime	Fully	Urban	6.9	m ² (GEA)	€1,950	€13,357.5	Open balcony
7 (setback)	Residential	Internal	Prime	Semi	Side-sea	31.5	m ² (GEA)	€3,900	€122,694.0	Domestic store (CIH of 2.65m)
			Secondary	Semi	Urban	1.8	m ² (GEA)	€0	€0.0	Spiral staircase
		External	Prime	Semi	Side-sea	25.8	m ² (GEA)	€1,950	€50,310.0	Terrace
			Secondary	Fully	Urban	21.1	m ² (GEA)	€1,300	€27,443.0	Terrace
		Services	Tertiary	Fully	Urban	10.9	m ² (GEA)	€0	€0.0	Elevated terrace
8 (roof)	Services	Roof	All	Fully	Side-sea	31.5	m ² (GEA)	€0	€0.0	Not accessible
Total							€864,568.5			
Adjustment/s:		N / A					€0.0			
Gross Development Value, GDV							€864,568.5			
GDV, rounded to say**							€860,000			
GDV		Immovables					€860,000			
		Movables (FF&E)					€0			

Notes: *However, this unit is subject to a promise of sale agreement with an agreed transaction price of €305,000. **We have not catered for any potential price inflation over the development period.
Source: Archi+ Method: Comparison method

Freehold interest and full vacant possession; excl. of VAT & FF&E, & incl. of agency fees (if any).

VALUATION CALCULATIONS

03. Present Market Value

Item	Quantity	Unit	Rate	Amount	Description	
Development Value						
Gross Development Value, GDV				€852,748.5	From Table 1: Assuming rates as at the Valuation Date	
Immovable property	Total			€852,748.5		
	Apartment			€305,000.0	The apartment is based on the actual agreed selling price. It is being assumed that the airspace and construction (incl. finishes & services) for both units will be sold together in a semi-finished & unfurnished state.	
	Penthouse			€547,748.5		
Other	N / A			€0.0		
Net Development Value, NDV				€813,952.5	NDV = GDV less disposal fees	
Disposal fees	Total		12.7%	-€38,796.0	Assumes that the penthouse is to be retained.	
	Final withholding tax	€305,000.0	GDV	8.0%	-€24,400.0	Not UCA or Gozo
	Agency commission	€305,000.0	GDV	4.7%	-€14,396.0	Incl. VAT @18% (agent fees to be covered by seller)
Gross Development Costs, GDC						
Net Development Costs, NDC				-€259,347.7	aka Construction Costs and Fees; Incl. VAT	
Immovables	Total			-€259,347.7	Assuming rates as at the Valuation Date	
Movables	Total			€0.0	Unfurnished state	
Letting and/ or sale costs, LSC				-€1,705.5	Excl. of agency commission (sales)	
Letting fees	Total			€0.0	Assumed to be sold vacant	
	Agent commissions	€0.0	50% of EGI	10.0%	€0.0	EGI: Effective Gross Income
	Legal fees	€0.0	EGI	0.5%	€0.0	
	Advertising costs	€0.0	EGI	0.5%	€0.0	
Sales costs	Total			-€1,705.5	Part already paid	
	Advertising costs	€852,748.5	GDV	0.2%	-€1,705.5	Incl. EPCs; incl. VAT
Finance costs**				-€6,483.7	Short-term finance costs	
Bank lending rate				5.0%	per annum	
Borrowed amount	Total			-€129,673.9	Debt	
	Land	€0	Price	0.0%	€0.0	(Unit: LTVR)
	NDC	-€259,347.7	NDC	50.0%	-€129,673.9	
Development period, DP	Total	12.0	No. (months)	12.0	1.0	(years); Not a phased development
	Lead-in period	2.0	No. (months)			
	Construction period	9.0	No. (months)			Based on the special assumption that full executable permits are in hand and that the transaction has gone through.
	Void period	1.0	No. (months)			
Target developer's profit				-€77,804.3		
Target developer's profit	€259,347.7	NDC	30.0%	-€77,804.3	≥ 15%	
Residual Value						
Gross Residual Value, GRV				€468,611.3	GRV = NDV less GDC	
Present Value, PV				€446,296.4		
Development period	Total			1.0	(years)	
Discount rate				5.0%	The same as the bank lending rate (per annum)	
Net Residual Value, NRV				€415,055.7	NRV = PV less site acquisition costs	
Site acquisition costs	Total	€446,296.4	PV	7.0%	-€31,240.8	AKA purchase costs
	Transfer duty			5.0%		Not UCA or Gozo
	Other transfer fees			2.0%		Notary fees, registration costs, etc...
Present Market Value, MV				€415,055.7	Freehold interest & full vacant possession	
NRV				€415,055.7	Excl. VAT & incl. of agency fees (if any)	
Adjustment/s:	N / A			€0.0	No additional revenue during DP	
MV, rounded to say				€415,000	Valuation Date: 29.05.2023	

Analysis:	Profit:	/ Outlay**:	11.0%	/ Equity:	N / A	/ MV:	18.7%	/ NDV:	9.6%
	MV:	/ GDV:	48.7%	/ plot area**:	N / A	/ airspace ³ :	€207,500	/ airspace ² :	€2,049

Notes: *We have applied an accepted 'rule of thumb' to calculate the total interest on the construction costs and fees and to assume that an average of half that amount will be borrowed over the full development period.

**Outlay (assumes development is based 100% on equity) = MV + Site acquisition costs + LSC + NSC **Excl. of area of front garden airspace²: No. of units airspace³: GE above street level

Source: Archi+

APPENDIX 11
ASSUMPTIONS & CONDITIONS

A. ASSUMPTIONS & CONDITIONS

This Valuation has been carried out on the basis of the following assumptions and conditions listed below. If any of these are subsequently found not to be valid, the valuation figures may also be incorrect or invalid and should be reconsidered.

A1. Conditions

Valuation currency	The currency used in the Report is euro (€).
Value Added Tax	<ul style="list-style-type: none">All Capital and Rental Values provided and adopted in the Valuation must be stated exclusive of Value Added Tax (VAT);Construction cost and professional fees in the estimate of works (costs) are inclusive of VAT at 18%; andPlanning fees are VAT exempt.
Goodwill	Excluded from our Valuation is any additional value attributable to goodwill (or 'trading potential'), or to fixtures and fittings which are only of value <i>in situ</i> to the present occupiers.
Special purchasers	This Valuation excludes any possibility of Marriage (or Synergistic) Value or any consideration of any special purchaser who, due to special interest or circumstances, may wish to purchase the Property.
Burdens	The Property has been valued as if wholly owned with no account being taken with any outstanding moneys due in respect of mortgages, or any other third-party claims.
Fixtures & fittings	Unless otherwise stated, fixtures and fittings such as sanitary facilities, ACs, fitted kitchens and other normal service installations have been treated as an integral part of the building and are thus included in the valuation.
Furnishings	Unless otherwise stated, movable furnishings are excluded in the Valuation.

A2. Special assumptions

Planning consent	Planning permissions and statutory requirements will be granted for the proposal.
Development property	It has been assumed that all development will take place in strict conformity with the relative development permits, and other statutory obligations, and constructed and furnished by reputable firms.
Completion date	That a proposed building had actually been completed on the Valuation Date.

A3. General assumptions

Market conditions	The values stated in this Report represent our objective opinion of Market Value in accordance with the definition set out above as of Valuation Date. Amongst other things, this assumes that the properties had been properly marketed and that exchange of contracts took place on this date.
Title, restrictions & encumbrances	This Valuation assumes that a good leasehold title can be shown, and the Property is not subject to any unusual or onerous restrictions (besides the use restriction), encumbrances or outgoings.

	<p>The Property is free from debts, special hypothecs, special privileges, charges and cautions.</p> <p>The Property is not subject to any requisition order or expropriation order.</p>
Statutory requirements	The Property is unaffected by any Statutory Notice and neither the Property nor its use, actual or intended, gives rises to a contravention of any Statutory Requirements.
Deleterious materials	The Property is free from latent defects and no deleterious materials have been used in its construction.
Contamination	We have assumed for the purpose of this valuation that no toxic, hazardous substances or any deleterious of any kind is present in or on the Property. Any subsequent identification of such substances may have a significant effect on value.
Mineral substances	That the ownership and possible exploitation of mineral substances or water runoff present in the subsoil have not been considered.
Archaeological remains	Even though there is a threat of finding archaeological remains in the area, this possibility has been ignored from our workings.
Insurance	The Property would, in all respects, be insurable against all usual risks by material and personal liability insurance at normal and commercially acceptable premiums.
Litigation	The Property is free from litigation whether threatened or pending.
Public utility services	The Property is connected, or capable of being connected without undue expense, to the public utility services of electricity, water, telephones and sewerage, as it is located within the urban fabric.

A4. Variation from standard assumptions

None.

B. SCOPE OF WORK & SOURCES OF INFORMATION

B1. Investigations

Market research	Information quoted in our reports is typically based upon our verbal enquiries and electronically available information and its accuracy cannot be assured. However, such information is only referred to where we have reason to believe its general accuracy, or where it is in accordance with our expectation. We have not inspected comparable properties. Should the accuracy of the information gather subsequently differ from that disclosed or available this may detrimentally affect the valuation hereby reported and, in such circumstances, we would wish to review our Valuation accordingly.
Title of ownership	<p>The title of ownership has not been investigated and such investigation was not within the scope of this Valuation.</p> <p>I have sought the input of legal advice in determining details of registered mortgages and privileges and other charges. I understand that the</p>

	<p>Property is freehold and unencumbered. There are no registered charges or mortgages over the Property.</p> <p>The Property is also free from debts, special hypothecs, special privileges, charges and cautions, and is not subject to any requisition order or expropriation order.</p>
Contamination	Standard enquiries have not resulted in any indication that contamination, either naturally occurring or chemically derived, affects the subject property or neighbouring property which would impact on the value. If it is subsequently established that contamination exists at the Property or on any neighbouring land, or that the premises have been or are being put to a use, which could contaminate, this may reduce the reported value.
Deleterious substances	No investigations have been carried out at the premises inspected to indicate the presence of any toxic, hazardous or any deleterious substances. Any subsequent identification of such substances may have a significant effect on value.
Drawing survey	A professional drawing survey of the Property was not conducted by the Undersigned as it was not within the scope of the Valuation.
Ground testing	No ground investigations have been done by the Undersigned.
Archaeological remains	No investigations were made by the Undersigned to determine if there are any archaeological remains on site.

B2. Sources of information and verification

The Client has passed on the information necessary to carry out the valuation.

The information reviewed and supplied includes:

- the relevant planning policies; obtained from the PA website;
- the relevant development permit documents (Appendices 3 and 4); obtained from the PA website;
- a copy of the development brochure (Appendix 6); obtained from the Client; and
- a copy of the promise of sale agreement of the apartment unit (Appendix 7); obtained from the Client.

B3. Measurements

A detailed drawing survey of the Property was not carried out and such survey was not within the scope of this Valuation. The areas and dimensions indicated in this Report (see Appendix 5) are indicative only and were calculated from the proposed permit drawings (see Appendix 4); and were measured using the Code of Measuring Practice in the Valuation Standards.

B3. Property inspection

The Property was inspected on the 29 May 2023 in the presence of Malcolm Gatt Baldacchino on behalf of the Client by the Undersigned. The inspections have been carried out externally (from *Triq Markizi Zimmermann Barbaro* and *Triq Sant' Antnin*) and internally, however limited to those areas that were easily accessible or visible.

Photographs of the exterior of the Property (see Appendix 2) note good weather in place during time of inspection.

B5. Compliance

The Report has been prepared in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation – Global Standards (2020), which incorporate the International Valuation Standards (IVS, 2020). This is also known as the 'Red Book' and is hereafter referred to as the "Valuation Standards".

There has been no departure from these documents, however this Report is not in full compliance with the Valuation Standards due to Clause PS 1: 8.2 which states that:

“Except where RICS has formally agreed to the use of the Red Book by appropriately qualified members of another VPO (valuation professional organization), no valuer who is not a member of RICS may state that his or her valuation is or has been undertaken in full compliance with the RICS Red Book.”

Other documents referred to in the preparation of the Report include the *Kamra tal-Periti* (KTP) Valuation Standards for Accredited Valuers (2012).

C. VALUER INFORMATION

Details of the firm

Archi+ are an architecture studio of over 30 full-time staff which has an award-winning and multi-disciplinary team that provides an all-encompassing service. Of relevance to valuations, Archi+ has acquired vast experience in the field of property valuations. Since 2018, Archi+ has expanded our real estate valuation and advisory services, hiring full-time specialised staff.

This valuation was led and signed by Perit Adrian Mangion (referred to as the “Undersigned” in this Report) on behalf of Archi+, who is a partners of the firm and who heads the planning and property valuation team; and who was assisted by Justin Mizzi, a senior property valuer. No outside assistance was required in the preparation of this Report.

Details of the valuer

Name	Perit Adrian Mangion (ID No. 580385M and Warrant No. 989) on behalf of Archi+
Qualifications	Perit; B.E.&A.(Hons) A.&C.E.
Memberships	<i>Kamra tal-Periti</i>
Contact No.	+356 7979 1425 +356 2149 3995
Email	amangion@archiplus.mt
Address	Archi+, BS Building, Triq il-Mosta, Lija LJA9012, Malta

Capacity of the valuer

The Undersigned has taken on this assignment as an External Valuer as defined in the Valuation Standards. Furthermore, it is hereby confirmed that the Undersigned:

- is a warranted architect in terms of section 7 (3) of the architecture and civil engineering professionals (*Periti*) Act 1996 and is a fully paid member of the KTP, and is thus qualified to act as a valuer;
- has sufficient currently local knowledge of the particular property market involved and has the knowledge, skills and ability required to perform this Valuation competently in accordance with the Valuation Standards; and
- is covered by Professional Indemnity Insurance which is updated in terms of standard provisions.

Disclosures

There are no conflicts of interest to declare.

APPENDIX 12
GLOSSARY

Glossary

Measurements				
Abbr.	Term	AKA	Definition	Source
Land area				
PA	Plot area		The area of the property within its boundaries. This may be referenced by government agencies measured from a horizontal plan. Plot area can then as appropriate be divided into the built area and the un-built area.	TEGoVA
SA	Site area		The part(s) of the plot area used for one or more buildings or intended for their construction.	TEGoVA
BE	Building envelope		The plan of the part of the site area that is physically occupied by the building both above and below ground, using its maximum dimensions.	TEGoVA
BF	Building footprint	Built footprint	The plan of the part of the site area that is physically occupied by the building above ground level, using its maximum dimensions.	TEGoVA
Areas & volume				
GFA	Gross floor area		The total area of the whole unit measured from the external face of the development's walls (or in the case of party walls measured up to half the width of such walls), including all internal and usable external spaces, such as balconies and terraces, which go beyond the statutory requirements and excluding the net area of any service shafts contained within such development.	PA, 2015
GEA	Gross external area	IPMS1	The area of a building measured externally at each floor level.	KTP, 2012
GIA	Gross internal area	IPMS2, IFA	The area of a building measured to the internal face of the perimeter walls of each floor level.	KTP, 2012
NIA	Net internal area	IPMS3, NFA	The usable site area within a building measured to the internal face of the perimeter walls at each level.	KTP, 2012
ECA	Ext. construction area		= GEA - GIA	
ICA	Int. construction area		= GIA - NIA	
CA	Construction area		= ECA - ICA	
ER	Efficiency ratio		= NIA / GEA	
CC	Cubic content	Volume	The product of the GIA and the internal height (maximum, clear or average to be specified).	KTP, 2012
Linear measurements				
CIH	Clear internal height		The height between the structural floor surface and the underside of the lowest point of the structural ceiling or roof.	KTP, 2012
CH	Ceiling height	Net height; Clear height	The height between the topmost floor surface and the underside of the ceiling. "Clear height" means the distance measured from the finished floor level up to the underside of the ceiling level. This excludes any beams, arches and, or drop ceilings, provided that these do not take up more than 30% of the ceiling area of the room and the clear height of this 30% area is not less than 2.0m.	KTP, 2012 L.N. 227/16
IH	Internal height	Free height	The height within a building or section of a building measured from the floor to the lowest point of a ceiling or suspended ceiling, ignoring the existence of any brackets, struts or fixtures and fittings.	IPMSC
SF	Site frontage		The measurement of a site along its frontage between two flank boundaries.	KTP, 2012
BF	Building frontage	Built frontage	The measurement along the front of the building from the outside of external walls or the centre line of party walls.	KTP, 2012
Retail properties				
RA	Retail area		The retail area of the shop is the NIA including storerooms and ancillary accommodation formed by non-structural partitions, the existence of which should be noted, recessed and arcaded areas of shops created by the location and design of the window display frontage and excluding storerooms and ancillary accommodation formed by structural partition, display cabinets which should be identified separately.	KTP, 2012
StoA	Storage area		The NIA of a shop which does not form part of the RA and which is usable exclusively for storage purposes.	KTP, 2012
AA	Ancillary area		All NIA not included in RA and StoA but capable of beneficial use.	KTP, 2012
Offices				
PUA	Prime use area		These are those areas having more than 2.30m clear height, which are or could both practically be used as offices and directly associated uses, such as computer rooms, conference rooms, meeting rooms, libraries, post rooms and archives.	KTP, 2012
	Restricted PUA		These are those prime use areas which are restricted in some way, for example, rooms with between 1.50m and 2.30m clear height. NIA excludes areas less than 1.5m clear height.	KTP, 2012
	Secondary use areas		These are areas that are used for purposes ancillary to the main office use, such as dining rooms, associated areas of food storage and washing up, leisure areas, gymnasias, swimming pools, sports rooms, associated changing rooms, toilets, washrooms, showers, tea kitchens, kitchens, canteens and similar.	KTP, 2012
	Other areas		These comprise areas other than prime use areas, restricted prime use areas, secondary use areas, circulation areas, car parking, or communal areas. Examples of other areas are separate workshops, laboratories, warehousing, retail; units, etc.	KTP, 2012
	Circulation area		Circulation areas are those parts of a building provided for access purposes but exclude such parts that are provided solely for the purpose of emergency escape.	KTP, 2012
	Car parking		This is to be expressed in terms of the number of spaces and categorised into the type of parking (ex. basement parking, multi-storey car park, site parking etc) with a note of any restrictions (ex. double parkers or other patent parking systems).	KTP, 2012

Glossary

Methodology				
Abbr.	Term	AKA	Definition	Source
Methodology				
	Valuation		An opinion of the value of an asset or liability on a stated basis, at a specified date. Unless limitations are agreed in the terms of engagement this will be provided after an inspection, and any further investigations and enquiries that are appropriate, having regard to the nature of the asset and the purpose of the valuation.	RICS
	Valuation methodology		The process by which a valuer undertakes the valuation of the property, including the selection by the valuer of the approach or approaches to be applied, the choice of method(s) and the use of models or techniques in order to interpret the valuation inputs and reach conclusions based on them.	TEGoVA
	Valuation approach		The fundamental way in which, having regard to the available evidence, the valuer considers how to determine the value of the subject property.	TEGoVA
	Valuation method		The particular procedure, based on one or more valuation approaches, used by the valuer to arrive at a determination of value.	TEGoVA
	Valuation model	Valuation technique	A specific technique of data treatment conducted within a valuation method.	TEGoVA
	Weight		The amount of reliance placed on a particular indication of value in reaching a conclusion of value (ex. when a single method is used, it is afforded 100% weight).	IVS
	Weighting		The process of analysing and reconciling differing indications of values, typically from different methods and/or approaches. This process does not include the averaging of valuations, which is not acceptable.	IVS
Approaches				
	Cost approach		A valuation approach which provides an indication of value based on the economic principle that a buyer will pay no more for a property than the cost to obtain a property of equal utility, whether by purchase or by construction, including the cost of sufficient land to enable that construction. It will often be necessary to make an allowance for obsolescence of the subject property compared with a brand new equivalent one.	TEGoVA
	Income approach		A form of investment analysis based on a property's capacity to generate net benefits (i.e. usually monetary benefits) and the conversion of these benefits into a present value.	TEGoVA
	Market approach		A valuation approach where the valuation is produced by comparing the subject property with the evidence obtained from market transactions that fulfil the criteria for the relevant basis of value.	TEGoVA
Methods				
	Profits method	Accounts method; Earnings multiplier approach	According to this method both rental and capital values tend to be directly influenced by the potential for profit. The total value of the business is obtained by capitalizing the net profit of the business "lock stock and barrel".	
Cap method	Capitalization method	Traditional method ARY method	The rationale behind this method is to derive a property's Market value by calculating the annual income this property can generate and capitalize it by using an appropriate factor, the so-called yield. The yield is usually taken from market data, however, must be carefully adjusted to suit the particular property, as it reflects all the characteristics of the subject property and its choice is of high importance.	
DCF method	Discounted cash flow method	Full-explicit	Discounting cash flow (DCF) analysis is defined as a financial modelling technique based on explicit assumptions regarding the prospective cash flow of the property. This analysis involves the projection of a series of periodic cash flows a property is anticipated to generate, giving regard to the frequency and timing of income and expenditure.	
	Residual method		This is mainly applied for estimating the Market value of development properties, usually land plots available for development or of properties that need extended works to become exploitable again (redevelopment properties). The rationale behind the use of this method is that the market value is the sum of values of all the components of the property (land, structures, land works, improvements etc.). The first stage is to estimate the value of the best possible complete development including all sorts of possible costs like construction, agent fees, cost of capital, expected profit etc. The result of this deduction is called the residual value (which is "the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life") of the land. We express this value in present value terms by discounting it with the appropriate discount factor. This value equals with the Market value. In order to find the market value of the complete development market data is used. This method is used to estimate the land value of plots that have very little comparables and assumes a development of the best possible and profitable use.	
DRC method	Depreciated replacement cost method	Contractor's test; Cost method; Method of last resort	For the application of the depreciated replacement cost (DRC) method the Market value of the land plot is initially calculated and then the cost of constructing the same buildings, as they stand on the date of valuation. Afterwards and depending on the physical and constructional deterioration of the structures, a depreciation rate per annum is applied. If necessary additional obsolescence rates can be applied to reflect the functional, economic or operational obsolescence of the premises. In order to derive the subject property's Market value the two values are simply added. The rationale behind this method is that no prudent investor would pay for a property more money than he would spend in order to build a modern equivalent again. The method is mostly suitable to evaluate specialized properties with no active market.	
	Comparison method		According to this method the valuer estimates the market value of the subject property by comparing the factors that mostly affect it. Such factors can be the potential income stream a property can generate, possible restrictions on the use, location factors, size, quality of construction etc. With this method Capital or Rental Values of comparable properties (with similar characteristics) are processed in order to approach the subject property's Market value. The rationale behind this method is that no prudent investor would pay more to acquire a property that has similar characteristics with another one.	