

COMPANY ANNOUNCEMENT

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

Quote

Promise of Sale Agreement – Birkirkara Property

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

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

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

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

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

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

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

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

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

Unquote



Dr. Francis Galea Salomone

Company Secretary

28 September 2021