



DeMicoli & Associates  
Architects

F3597

DINO FINO

**Valuation**

September 2021



**DeMicoli & Associates**  
Architects

**Postal Address:** Spinola Park, Level 0, Triq Mikiel Ang. Borg, St. Julians SPK 1000, Malta  
**tel:** [+356] 21381500 **e-mail:** info@danda.com.mt **web:** www.danda.com.mt

<b>Our Ref:</b>	F3597
<b>Effective Valuation Date:</b>	2 <sup>nd</sup> September 2021
<b>Party Requesting Valuation:</b>	Dino Fino Finance Plc
<b>Address of Property Valued:</b>	Dino Fino Showroom and Offices, Valley Road, Birkirkara
<b>Age of Building:</b>	Built in 2013/4
<b>Purpose of Valuation:</b>	Publication of a Prospectus.
<b>Object:</b>	To value the property with a field review to include an inspection of the property taking into account all technical, economic, visual and environmental aspects in valuing the property.
<b>Compliance:</b>	I declare that I have no conflicts of interest in effecting this valuation and that our professional indemnity cover is updated and in force.
<b>Sources of Information:</b>	Contracts with regards to lease agreement and acquisition and other information were provided to us by the management of Dino Fino Finance Plc. Drawings of the existing building have been provided as well, and building permits have been sourced from the Planning Authority website.



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**Definition:**

Market value or fair value shall mean the price at which land and buildings could be sold under private contract between a willing seller and an arm's-length buyer on the date of valuation, it being assumed that the property is publicly exposed to the market, that market conditions permit orderly disposal, and that a normal period having regard to the nature of the property, is available for the negotiation of the sale.

This definition has been agreed by the International Valuation Standards Committee and adopted by the European Group of Valuers Association.

This valuation has been carried out in accordance with standards and guidelines issued by the Royal Institute of Chartered Surveyors (RICS). In addition, this valuation has also been prepared in accordance with Chapter 7 of the MFSA Listing Rules.

We confirm adherence to Listing Rule 7.4.1.10 - *present capital value in existing state*, and also confirm that Listing Rule 7.4.1.11 is not applicable.

**Physical Properties:**

A four-floor building consisting of a showroom and office space, constructed using suspended precast prestressed concrete slabs, reinforced concrete beams and columns, and hollow concrete blocks walls, with a significant amount of glazing to the showroom.



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### Description:

The showroom and office complex is located in Valley Road, Msida which is a main thoroughfare committed with a good number of commercial outlets along its whole length. It is therefore in a very convenient location for customers, apart from the fact that Valley Road is a public transport route, meaning that footfall is good.

The building under review consists of a detached commercial premises, made up of four floors located beneath third party residential units with a separate entrance from the upper road parallel to Valley road. It should be noted that for the purpose of this valuation, the overlying third party residential units do not form part of this valuation, and for this reason, they are not being reviewed.

The building is comprised of the following areas:

Level	Description	S.M
0	Showroom	558.25
Intermediate	Showroom	366.89
Intermediate	Showroom extension	57.68
1	Offices	561.51
2	Offices	190.72
2	Car Park (12 spaces)	371.35
TOTAL		2106.4





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### **Description Cont.:**

The showroom frontage has clear, fixed, wall-to-ceiling, glass panes for maximum display of wares. The glazed façade allows pedestrians and traffic that passes by to view the showroom display items. Upon entrance to the showroom on Level 0, there is an attractive reception desk and an array of quality products on display. The showroom has an open plan layout of approximately 560 sq.m and is finished to a high standard, including an additional newly developed area on this level for furnishing display. A kitchenette and a water closet are situated towards the rear of the showroom.

The Intermediate office level is used as a continuation of the showroom, displaying domestic furniture and kitchens. This display area is accessed via a staircase or a small passenger lift from the ground floor. The intermediate floor is slightly recessed from the front part to give a mezzanine void-type of design, and to give the entrance on ground floor a double height ceiling. Towards the back right hand side of this floor there is a board room which is used for meetings with clients and internal affairs.

The Level 1 Office space is finished with good quality tiles, painted walls and ceilings to a good standard of finish. There is a small terrace on the front side of the building which overlooks Valley Road. Client advised that this floor is proposed to be converted into a new showroom for Commercial clients. Refurbishment is imminent, expected to be ready by October 2021, with a forecast investment of 300,000 euro. The passenger lift is also to be amended and upgraded to open both sides to improve ease of movement for clients within the showroom areas at different levels.



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#### **Description Cont.:**

Level 2 is comprised of an Office and Parking Area for employees' vehicles, whose access is through a car lift. The office section (approx. 190 sq.m) is on the front side of the building which overlooks Valley Road, and has the same terrace area as the floor below. The office area has high quality finishes following an investment in the region of 250,000 euro, consisting of individual offices separated by glass partitioning, a main boardroom, reception area and a server room. The parking area along the back side of this level (approx. 370 sq.m) is served by a car lift, connecting the Level 0 with Level 2.

#### **Tenure:**

The legal title is freehold, full ownership, free and unencumbered, together with all its rights and appurtenances, free of any liabilities, hypothecs, levies, charges, privileges, taxes, servitudes and from any other burden, with vacant possession, without the airspace, all according to the conditions of the Preliminary Agreement dated 3 February 2021 in the records of Notary Dr Andre Farrugia.

At the moment, Dino Fino Operations Ltd rents out the property from Cliventi Ltd, the present landlord. When the sale is effected, the property will be wholly owned by Dino Fino Operations Ltd.



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### **Building Permits:**

#### **PA/00125/13 – Approved**

Location of development:

Between Triq il-Wied ta' L-Imsida and Triq G.F. Agius De Soldanis, Birkirkara, Malta

Description of works:

Construct showroom at level -4, intermediate office at level -3, office spaces at levels -2 & -1, part car park at level -1 and 3 semi-detached villas at levels 0 & +1 and washrooms at level +2.

#### **PA 5457/18 - Approved**

Location of development:

Showroom/Office, Triq il-Wied ta' L-Imsida, Triq G. F. Agius De Soldanis, Birkirkara, Malta

Description of works:

Enlargement of car lift at levels 0-2 and construction of internal wall at level 2.



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### **Building Permits Cont'd:**

**PA 602/19 – Approved at Reconsideration stage on 22 January 2020**

Location of development:

Dino Fino Showroom, Triq il-Wied tal-Imsida, Birkirkara

Description of works:

Work to include extension to existing intermediate level (lightweight structure), part change of use from showroom into Class 4D shop and placing tables and chairs in side garden.

**PA 602/19 - Reconsideration of condition – Dismissed on 3 April 2020.**

This dismissal rendered the permit PA/602/19 non-executable, and therefore another application was submitted to regularise the position. See PA/2803/21 below.



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### **Building Permits Cont'd:**

**PA/02803/21 – Approved on 23<sup>rd</sup> July 2021**

Non-executable decision posted date 29 July 2021. Decision Press date 4 August 2021. Dino Fino Operations Ltd is today in possession of a valid executable permit.

Location of development:

Dino Fino Showroom, Triq il-Wied tal-Imsida, Birkirkara

Description of works:

To sanction additions and alterations and extension at intermediate level (lightweight structure).

We are relying on the PA website to determine whether there is an illegality on the site, but please note that the PA website does not list unreported illegalities, apart from the fact that it is not always updated on time, and sometimes it is also inaccurate. With regard to permits therefore, we are basing our information for valuation purposes on the above information, and if this is found to be incorrect at a later stage, we may have to adjust the valuation accordingly.

There are no enforcement notices on the property.



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**Local Plan & Zoning:**

The location of the property under consideration is zoned within “Commercial Area below upper street level, and residential propriety area above upper street level CG14” in the B’kara area policy map of the “Central Malta Local Plan” published by PA.

In Map BKM4 of the “Birkirkara Building Heights Limitations Map” the property is located in a zone with a height restriction of 5 floors without semi-basement.

The property has therefore been developed in compliance with Planning Policy.

**Condition:**

No structural survey has been undertaken however, the building has been recently built, and appears to be in good condition from a visual inspection. The completed parts of the property have been finished to a good standard of workmanship and materials, and the proposed conversion of Level 1 will match this standard of finishes to be able to attract custom for the existing operations and their intended growth.



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### **Discussion:**

For the purpose of this valuation, we are valuing all of the different parts within the complex as one asset.

The valuation is based on an open market value for existing use and not for alternative use.

As forementioned, the property location is quite convenient as it is situated in a commercial street which attracts many customers. This main arterial road, 'Valley Road', is also a public transport route with a concentration of numerous commercial showrooms. Since Valley Road is a hub for business, passing trade is steady and demand for showrooms and offices within the area is strong. Such a commercial space will therefore attract a good price for the development as proposed. The architectural design and the workmanship of the finishes are of a high quality, and this is another advantage of the property.

As mentioned above, the property is freehold. It is our experience that investors purchasing property or land which is held on this basis are likely to find funding at banking institutions and that the property will not be considered a wasting asset.

We have adopted the comparative and investment methods of valuation. We have researched rental office prices for this type and category of property in similar or equivalent 'commercial' location, and in our opinion, a rental rate of EUR 215 p.s.m. for display spaces (car parking spaces included in the rate) for the tenants, would be achieved in the present market conditions.



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#### **Discussion Cont.:**

The gross rentable area is 1735 s.m. excluding the car park which can accommodate 12 cars. Therefore, the annual rental income would be EUR 373,025; capitalising this figure at a fair rate of 7.5% according to approved investment methods of valuation, would result in an asset value of EUR 4,973,667 say EUR 5,000,000, always assuming that a diligent, reasonable, operator/owner will maintain the building, its finishes, mechanical, electrical and electronic systems in a proper manner over the short to medium term.

There are no foreseeable changes in the current mode or category of occupation, and there is no demand or potential for alternative uses.

There is no indication of contamination.

#### **Confidentiality:**

We would like to add that we have taken all reasonable care to ensure that the information is correct, and to the best of our knowledge is in accordance with the facts as given to us, and contains no omission likely to affect its import. There are no other matters which we consider as relevant for the purposes of valuation.

It is to be noted that this report is being submitted solely for the use of the client, their bankers and their professional advisors. We accept no responsibility to third parties.





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**Date of Valuation:**

This valuation is effective as of today 2<sup>nd</sup> September 2021.

**Valuation:**

Having considered all the factors described above, I assess the present capital value of the property on an open market basis as of the effective date to be

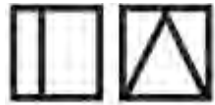
**€5,000,000**  
(Five million euro)

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**Raymond DeMicoli**

A & C.E

DeMicoli & Associates,  
Level 0, Spinola Park, St Julians, SPK 1000, Malta



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F3597

DINO FINO

## Appendix

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September 2021

































































































Mr Dino Fino

Date: 23 July 2021  
Our Ref: PA/02803/21

Application Number: PA/02803/21  
Application Type: Full development permission  
Date Received: 7 April 2021  
Approved Documents: PA 2803/21/1A/34B/34C; and  
PA 2803/21/37A Commission for the Rights of Persons with  
Disability  
PA 2803/21/28A Water Services Corporation  
PA 2803/21/1E Eng report

Location: Dino Fino Showroom, Triq il-Wied tal-Imsida, Birkirkara  
Proposal: To sanction additions and alterations and extension at intermediate  
level (lightweight structure).

### **Development Planning Act, 2016 Full Development Permission**

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

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

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

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

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

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

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

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

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

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

2 a) The façade(s) of the building shall be constructed in local un-rendered and unpainted stone, except where other materials/finishes are indicated on the approved drawings.

b) All the apertures and balconies located on the façade(s) of the building shall not be in gold, silver or bronze aluminium.

c) The height of the services on the roof of the building shall not extend beyond the approved height of the uppermost parapet wall.

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



- 4 The conditions imposed and enforced by the Water Services Corporation are at supporting document PA 2803/21/28A. The architect / applicant is required to contact the Water Services Corporation, throughout the implementation of the development hereby approved, to ensure conformity with the imposed conditions. A copy of the relative correspondence issued by the Water Services Corporation shall be submitted to the Planning Authority accordingly.
- 5 The development hereby permitted shall be subject to Compliance Certification, verifying that the development has been carried out in full accordance with the approved drawings, documents and conditions imposed in this development permission, except where such conditions are enforced by other entities. Prior to the commencement of use of prior to the issue of any compliance certificate on the whole or any stand-alone planning unit of the development hereby approved, the applicant shall submit to the Planning Authority, in relation to the whole or that unit of the development:
- (i) clearance from the Commission for the Rights of Persons with Disability verifying that the development fully satisfies the accessibility standards and/or any conditions imposed by the Commission in supporting document PA 2803/21/37A
- Note: Should a compliance certificate be requested for a planning unit not comprising the whole approved development, a Bank Guarantee of €10,000 shall apply to ensure that CRPD clearance is obtained.*
- (ii) certification by an engineer confirming that the development fully satisfies the requirements specified in supporting document PA 2803/21/1E.
- 6 To make up for the shortfall in parking provision of two (2) parking spaces, this development permission is subject to a contribution amounting to the sum of €5,000.00 in favour of the Planning Authority's Urban Improvements Fund for the locality. The funds raised shall be used to fund traffic management, green transport, urban improvements or similar projects. The contribution shall be utilised as required and directed by the Planning Authority.
- 7 **Conditions imposed and enforced by other entities**
- A. Where construction activity is involved:
- (a) the applicant shall:
- (i) **Appoint a Project Supervisor for the Design Stage and a Project Supervisor for the Construction Stage** and any such appointment shall be terminated, changed or renewed as necessary. The same person may be appointed to act as project supervisor for both the design and construction stage, if that person is competent to undertake the duties involved and
- (ii) **Keep a health and safety file** prepared by the Project Supervisor for the Design Stage.
- (b) When the construction works related to this application are scheduled to last longer than thirty working days and on which more than twenty workers are occupied simultaneously, or on which the volume of work is scheduled to exceed five hundred

person-days, the project supervisor **shall communicate a prior notice to the Occupational Health and Safety Authority (OHSA) at least four calendar weeks before commencement of works.**

- (c) The Project Supervisor for the Design Stage shall **draw up a health and safety plan** which sets out the occupational health and safety rules applicable to the construction activities concerned, outlining the measures to ensure cooperation between different contractors and shall also include specific measures concerning occupational risks that may be present at this site.
- (d) It is the responsibility of the permit holder to ensure that development is carried out in accordance with the provisions of the Environmental Management Construction Site Regulations, Legal Notice 295 of 2007 (or subsequent amendments). Any hoarding shall be erected in accordance with Schedule 2 of the same Regulations.
- (e) New development on vacant or redeveloped sites shall be provided with a water cistern to store rainwater run-off as required by the Energy Performance of Buildings Regulations (2012) [published through Legal Notice 376 of 2012 and any amendments thereto].
- B.** Where the development concerns a change of use to a place of work, the applicant shall obtain a Perit's declaration that the building conforms to the requirements of LN 44 of 2002.
- C.** Where the development concerns a place of work:

The applicant shall:

- (i) obtain a Perit's declaration that the necessary requirements arising out of LN 44 of 2002 have been included in the plans and drawings; and
- (ii) obtain a Perit's declaration that the building conforms to the requirements of LN 44 of 2002.
- D.** The development is to strictly adhere to the 'Design Guidelines on fire safety for buildings in Malta' to ensure that all Fire Safety measures and provisions are addressed as indicated in the Design Guidelines on Fire Safety for Buildings in Malta, published by the DCID in 2004, (or other relevant standard, provided it is approved by the Civil Protection Department), Policies, and the Laws and Regulations of Malta.
- E.** Prior to laying of water and wastewater services in the road, the development shall comply with the requirements of Legal Notice 29/10 Part III (Roads in inhabited Areas) Clause 12.
- F.** In the event of an accidental discovery in the course of approved works, any cultural heritage feature discovered should not be damaged or disturbed and the Superintendence is to be immediately informed of such discovery. Any cultural heritage features discovered are to be investigated, evaluated and protected in line with the Cultural Heritage Act 2019 (CAP 445). The discovery of cultural heritage features may require the amendment of approved plans.
- G.** For new development, the following condition, imposed and enforced by Enemalta, applies:

A culvert measuring 0.8m wide by 0.75m deep should be prepared along the façade of

the development in order that any overhead lines may be substituted by underground cables. The culvert is to be interconnected to an adequate space consisting of a **small room or recess** located near the **entrance**, provided for the purpose of housing the electricity meter. Another adequate space for the purpose of housing the electricity meters, consisting of a **small room or recess** located in the basement near the **entrance**, also interconnected to the culvert, is to be provided. The architect/applicant is required to contact Enemalta, throughout the implementation of the development hereby approved, to ensure conformity with the imposed conditions.

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

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

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

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

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

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

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



**This decision is being published on 4 August 2021.**

Lorna Vella  
Secretary Planning Commission  
Within Development Scheme

## **Notes to Applicant and Perit**

### **Right for reconsideration**

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

### **Right for appeal**

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

### **Time limits**

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

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

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

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

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

### **Submission of request for reconsideration or appeal**

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

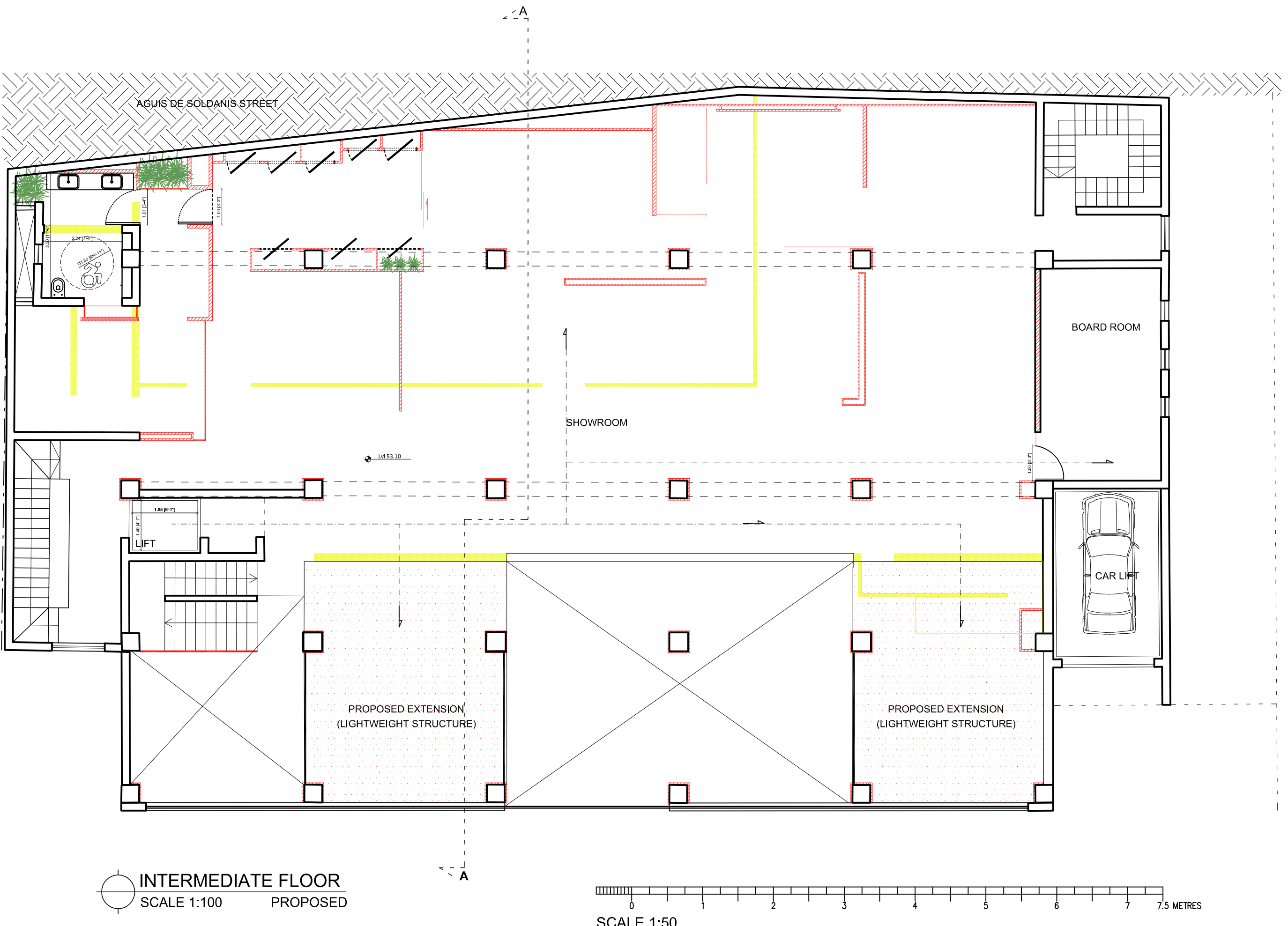
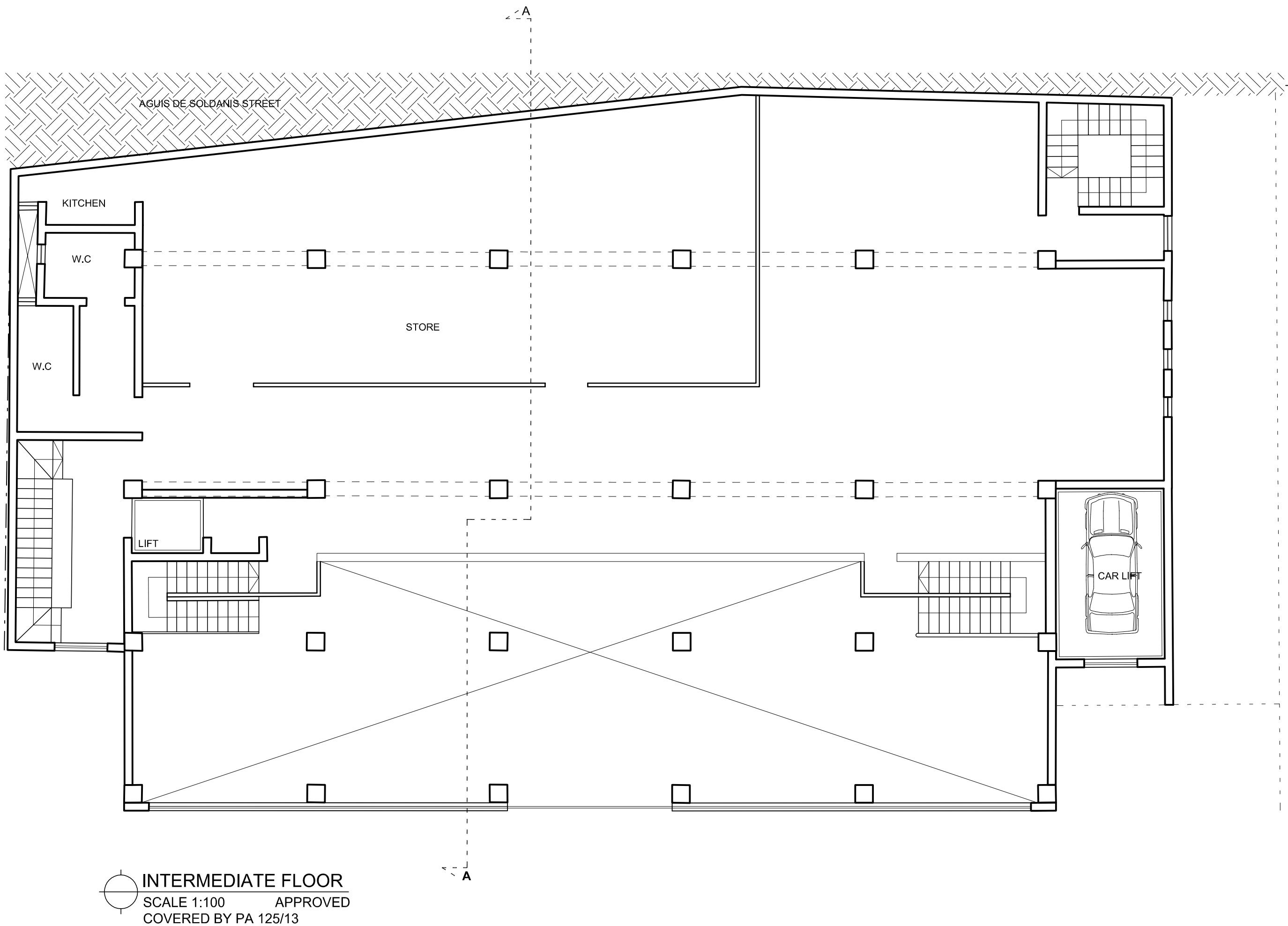
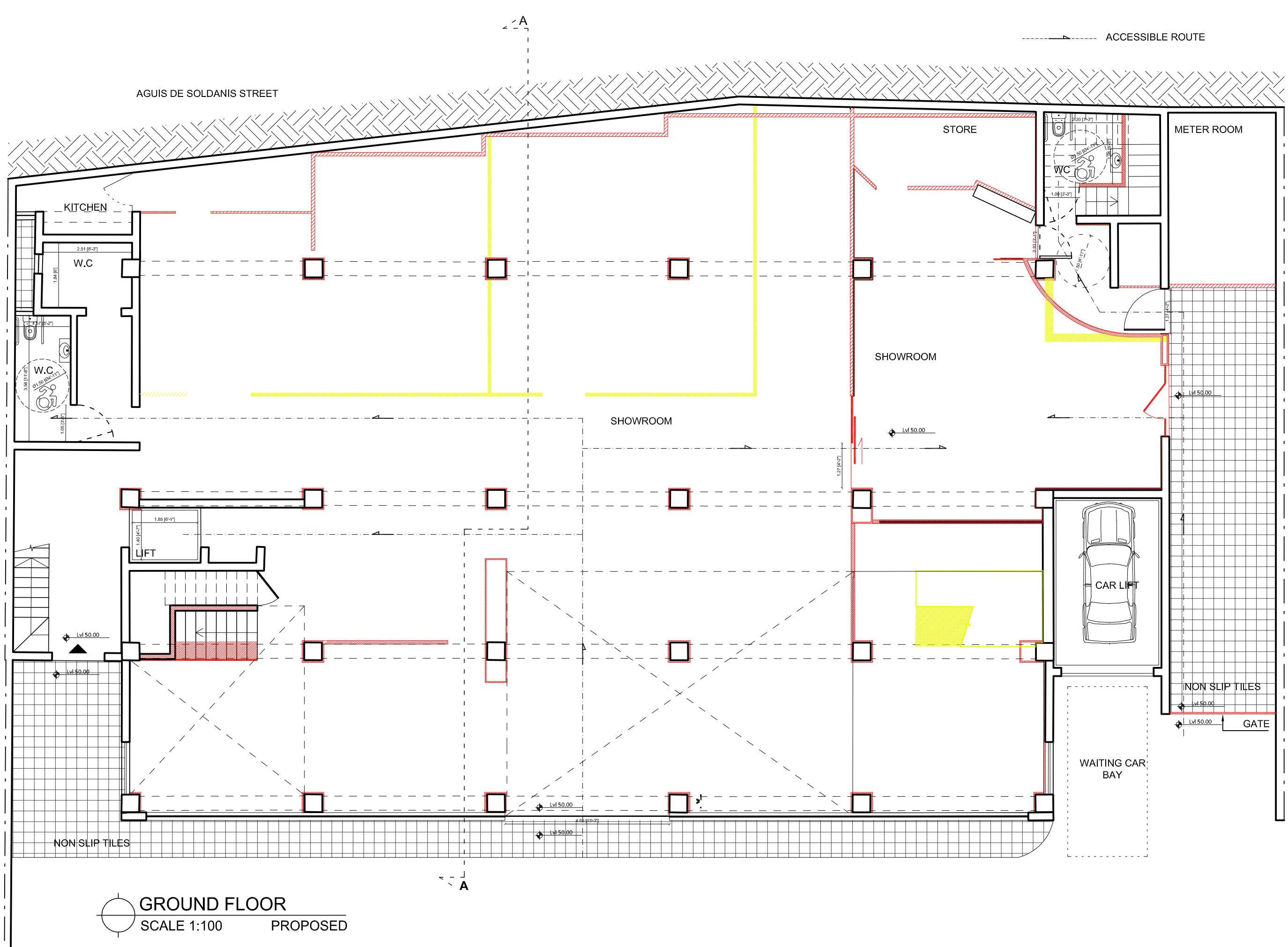
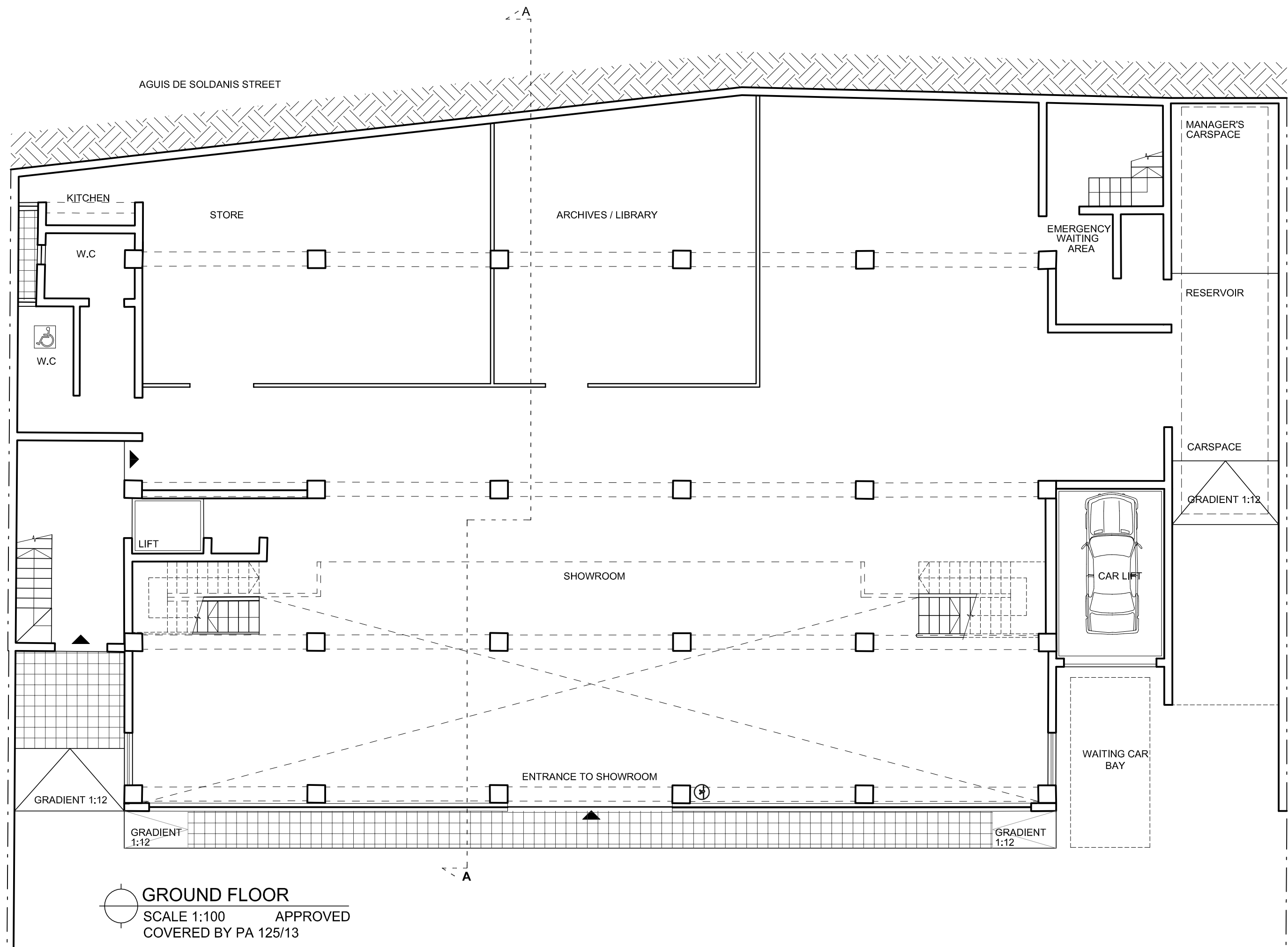
With regards to appeals, as required by Article 13 of the Environment and Planning Review Tribunal Act, 2016, the submission must include the detailed grounds for appeal and the requests being made by the appellant. Appeals must be submitted physically at the offices of the Environment and Planning Review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

# **Important Notice**

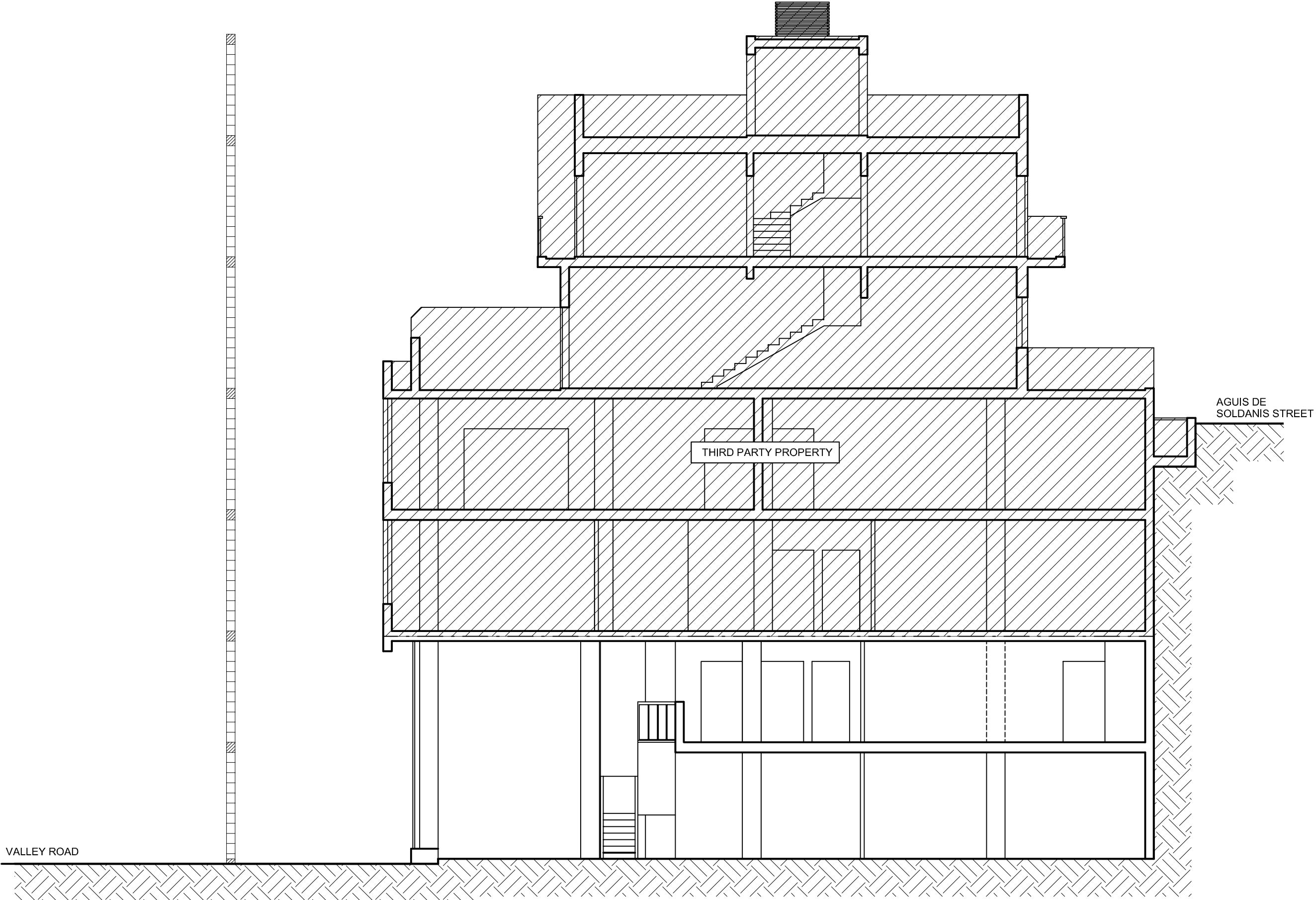
**In view of the provisions of Article 72(4) of the Development Planning Act (2016), a Commencement Notice is to be submitted to the Planning Authority, by the permit holder on behalf of the applicant, at least FIVE DAYS prior to the date of commencement of works or utilisation of the permission. Failure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

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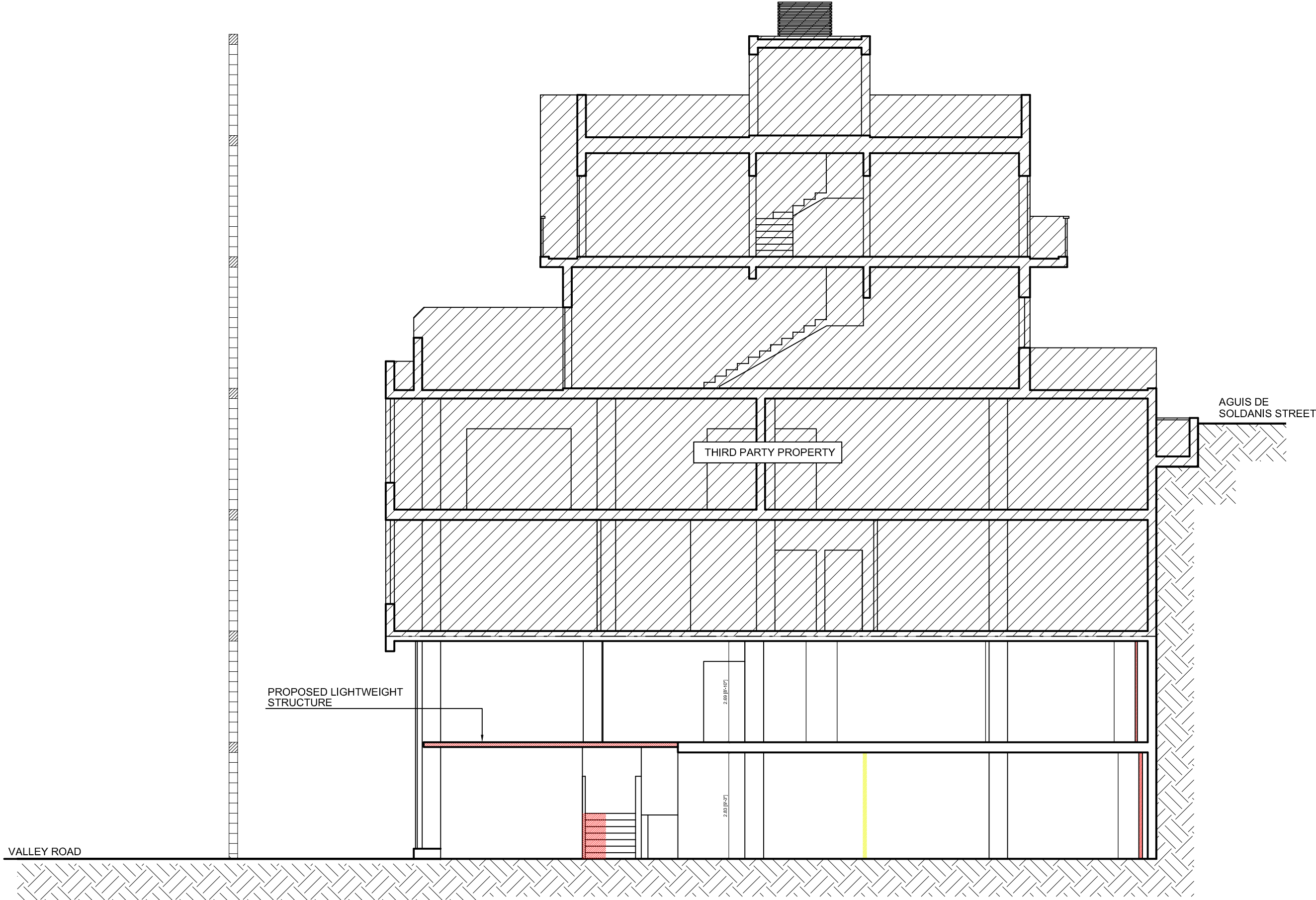




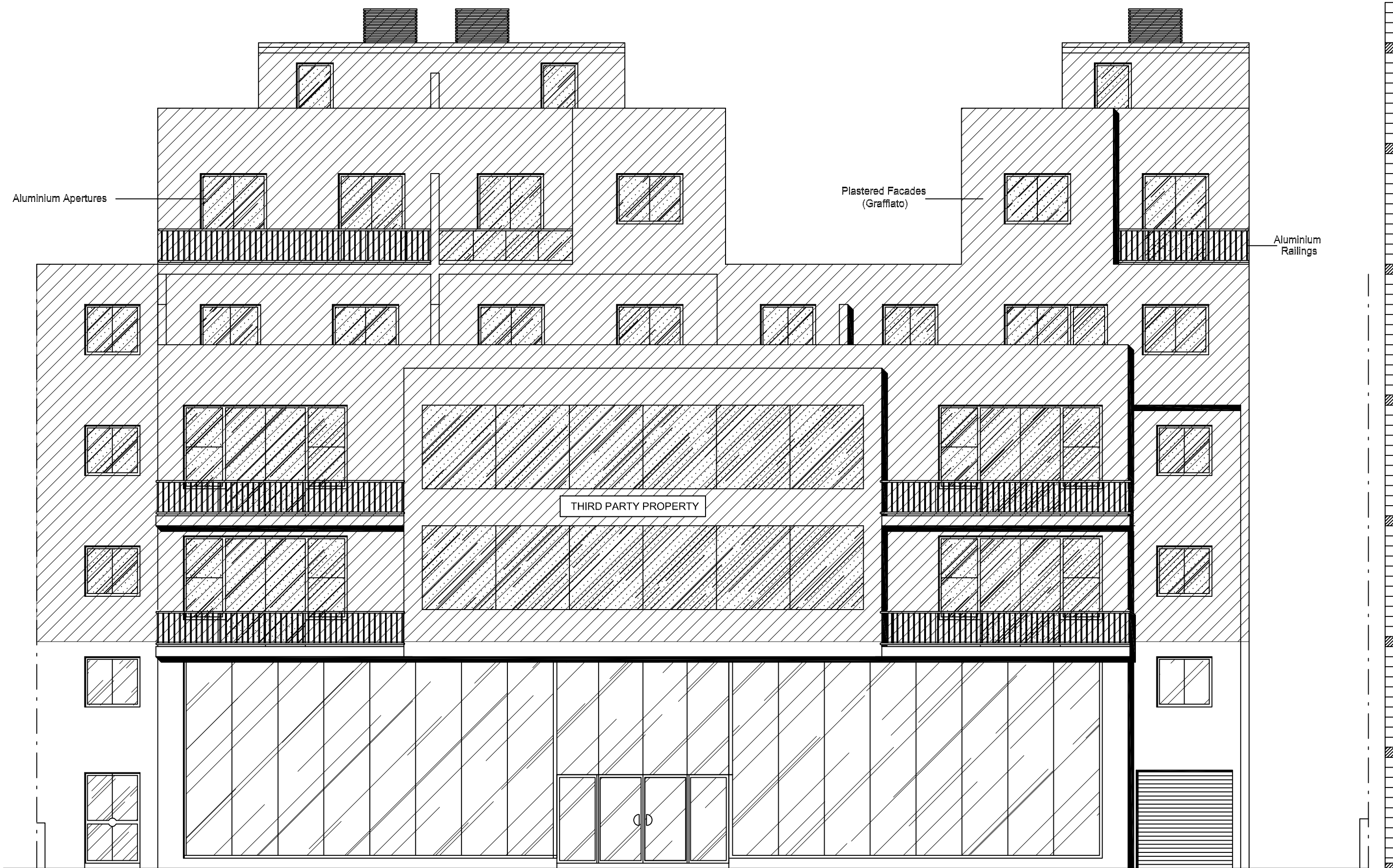




SECTION  
SCALE 1:100  
APPROVED  
COVERED BY PA 125/13



SECTION  
SCALE 1:100  
PROPOSED



ELEVATION  
SCALE 1:100  
APPROVED / PROPOSED

SCALE 1:50  
0 1 2 3 4 5 6 7 7.5 METRES



DESCRIPTION	
Approved and Proposed Section AA and Elevation	
DRAWING	JOB
	F020218
CO-ORDINATES	
SCALE	1:100
DRAWING BY	DA Damien Adels
CHECKED BY	PMC Perit Mark Camilleri
002	
REV.1	DATE & SIGNATURE 21.10.2018 Damien Adels
REV.2	DATE & SIGNATURE
REV.3	DATE & SIGNATURE
STAMP & SIGNATURE	





**1:2,500**

PA



St. Francis Ravelin, Floriana.  
Tel: +356 2290 0000, Fax: +356 2290 2295  
www.pa.org.mt, mappingshop@pa.org.mt

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## PRELIMINARY AGREEMENT

Preliminary Agreement entered today the third (3<sup>rd</sup>) day of February of the year two thousand and twenty-one (2021) between:-

Of the one part: George Muscat, son of George and Marianna nee' Vella, born in Qormi on the 04.04.1955 and residing at Mosta, holder of identity card numbered: 0312355(M) and Cliona Muscat, unmarried daughter of George Muscat and Carmela nee' Falzon, born in Santa Venera on the 23.05.1996 and residing at Mosta, holder of identity card numbered: 0224996(M) who are appearing hereon in representation of the company registered by the name **Cliventi (II) Limited (C83842)** having its registered office at GAP Holdings Head Office, Censu Scerri Street, Tigne, Sliema and this as duly authorized by virtue of the Memorandum and Articles of Association of the said company, hereinafter referred to as 'the Vendor'. Tel: 23271000 – Email: muscatcliona@gmail.com

Of the other part: Dino Fino, married, son of Lawrence Fino and Carmen Fino nee' Mallia, born in Saint Julians on the 01.04.1979 and residing at Gharghur, holder of identity card numbered: 0223679(M) who is appearing hereon in representation of the limited liability company registered by the name **Dino Fino Finance Limited (C69751)** having its registered office at Dino Fino Home + Contract, Msida Valley Road, Birkirkara and this as duly authorized by virtue of the Memorandum and Articles of Association of the said company, hereinafter referred to as 'the Purchaser'. Tel: 79777790 – Email: dino@dinofino.com

In this Agreement, unless a contrary intention appears:

- (a) a reference to the singular includes a reference to the plural, and vice versa;
- (b) a reference to a gender includes a reference to the other gender;
- (c) the documents annexed to this agreement constitute an integral part thereof.
- (d) if the persons in this agreement defined as Purchaser or Vendor are two or more they hereby agree that they are promising to acquire or sell the property (as the case may be) together and in solidum between themselves and that all obligations assumed by them on this agreement are being assumed by them jointly and severally.


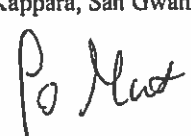

By virtue of this agreement the Vendor promises, undertakes and binds itself to sell, assign and transfer to the Purchaser which promises, undertakes and binds itself to purchase and acquire the commercial building without an official number but named Dino Fino Home + Contract made up of a showroom on Level 0 (zero) and on the Intermediate Office Level; the office space on Level 1 (one) and the office space and car parking area on Level 2 (two) all accessible from their own separate entrances abutting unto the service road adjacent to Msida Valley Road, in Birkirkara including its subterranean, also accessible through a staircase from Triq G.F. Agius De Soldanis, in Santa Venera all marked in red on the plans hereto annexed and marked as documents 'A, B, C and D', altogether bounded on the north-east by Msida Valley Road, on the south-west by the subterranean of Triq G.F. Agius de Soldanis and on the north-west by property of the successors in title of the Ganado Family, hereinafter collectively referred to as the 'Property'.

Not. Dr. Andre Farrugia B.A. LL.D.

Farrugia & Farrugia, 2<sup>nd</sup> Floor, Kappara Business Centre, St. Julians Road, Kappara, San Gwann  
Farrugia & Farrugia, 36, St. Cathald Street, Rabat, Malta.

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## PRELIMINARY AGREEMENT

The airspace of the Property from the ceiling level of Level 2 of the Property is not included in the sale since the Property underlies third party property. For the sake of clarity the parties are agreeing that the airspace of the external parts of the Property up till the ceiling level of Level 2 of the Property shall be included in the sale of the Property since such airspace is included in the abovementioned marked plans of the Property.

The sale of the Property includes, as an integral part of it, all the rights owned by the Vendor over the part fronting the showroom earmarked as a service road.

The Property is presently leased out to Dino Fino Operations Limited. Consequently as an integral part of the transfer of the Property, the Vendor shall assign to the Purchaser for no extra consideration, on the final deed of transfer, the present lease agreement signed by the Vendor and Dino Fino Operations Limited in relation to the Property.

It is being clarified that the Property is being sold as excluding the unnamed and unnumbered room accessible from the private drive-way which abuts onto Triq il-Wied tal-Imsida, Birkirkara, situated on road level which room measures approximately fourteen square meters (14m<sup>2</sup>) property of Enemalta plc and currently being used as a substation and thus the Property is subject to the terms and conditions resulting from the deed in the records of Notary Andre Farrugia of the 29<sup>th</sup> November 2018, provided that should it result that the Vendor does own the airspace overlying the said substation, the Purchaser shall proceed anyway with the purchase of the Property with the exclusion of the said airspace.

Save as otherwise stated in this agreement, the Property shall be sold as free and unencumbered, with all its rights and appurtenances, free from any burdens, servitudes, hypothecs and privileges and free from any rights whether real or personal in favour of any person or other property, with free and vacant possession, free from any requisition or expropriation orders.

This agreement is being made and concluded under the following terms and conditions:-

1. In consideration of the price of five million Euro (€5,000,000) out of which the Purchaser shall pay the sum of one hundred thousand Euro (€100,000) as a deposit on account of the said price by not later than the 3<sup>rd</sup> October 2021 provided that the Purchaser would have not by the said date exercised its right to withdraw from this agreement in terms of Clause 14 of this agreement. The balance of four million nine hundred thousand Euro (€4,900,000) shall be paid by the Purchaser to the Vendor on the final deed of transfer.
2. The said sum of €100,000 shall be retained by Notary Andre Farrugia who is being delegated by the parties to pay it to the Vendor on the final deed of transfer or when due to it in terms of this agreement provided that in the event the Vendor receives the entire price of €5,000,000 from the Purchaser on the final deed of

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## PRELIMINARY AGREEMENT

transfer, the said sum of €100,000 shall be refunded by Notary Andre Farrugia to the Purchaser.

3. Should the Purchaser fail to appear on the final deed of transfer within the validity period of this agreement (which period is indicated hereunder) for a reason which is not a reason valid at law or which is not valid in accordance with this agreement the sum of €100,000 shall be forfeited in favour of the Vendor by way of preliquidated damages, agreed for the purposes of Article 1138 of the Civil Code of Malta, which are not subject to abatement and without the need of the filing of any formal request or judicial act.
4. The parties hereby agree that the rent due by Dino Fino Operations Limited relating to the lease of the Property shall be paid in full up till the relative deed of transfer of the Property as indicated on the schedule of payments hereto annexed and marked as document 'E' provided that on the final deed of transfer Dino Fino Operations Limited shall also pay the balance of the amount of €56,425 which is due to the Vendor as postponed payment of rent due for the period of the lease of the Property for the year 2020. Consequently the Vendor shall only be bound to appear on the relative final deed of transfer upon receipt of the abovementioned rent and postponed payments as indicated in the annexed schedule marked as document 'E'.
5. On the Notarial deed of sale the Vendor shall procure the release of the Property from any special hypothecs and from any special privileges now or hereafter burdening the Property.
6. On the Notarial deed of sale the Vendor shall warrant the peaceful possession and full and unrestricted enjoyment of the Property and to further secure this warranty shall grant to the Purchaser a general hypothec on all its property in general, present and future.
7. On the notarial deed of sale the Vendor shall declare and guarantee in favour of the Purchaser that and consequently this agreement is subject in favour of the Purchaser that:
  - i. The title of the Vendor over the Property, as described above, is a good and certain title.
  - ii. the Property is constructed in accordance to law and in accordance to all the necessary permits, including building and sanitary permits, and in compliance with all the plans approved by the competent authorities.
  - iii. all architect fees, building permit fees, road and drainage contributions, and all fees and expenses of the contractors and suppliers for the construction of the Property have been paid and that no claims for payment may be brought against the Purchaser and the Vendor agrees to hold the Purchaser fully indemnified against any claims by any such person in relation to the Property.

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*P. H. M.*

*[Signature]*



## PRELIMINARY AGREEMENT

- iv. the Property is not subject to any pending or threatened legal disputes or to any claims made by third parties.
8. The parties hereby declare that since the Property is presently leased out to the Purchaser itself, the Vendor shall not be responsible for the payment of any bills relating to any services provided to the Property including water and electricity bills.
9. Without prejudice to any other clause of this agreement, the Property shall be sold in its present state and condition. The Purchaser declares that such state and condition is satisfactory to it.
10. The parties agree that the Purchaser shall neither have the right to receive nor the obligation to pay compensation for party walls.
11. This agreement and the notarial deed of sale shall be governed by the laws of Malta.
12. All fees and expenses relative to this agreement and the notarial deed of sale, the registration and cancellation of hypothecs and privileges contemplated in this Agreement, notarial fees and Duty on Documents and other Transfers shall be borne by the Purchaser. Any Capital Gains Tax including any Provisional or Final and Withholding Tax, shall be paid by the Vendor. No brokerage fees are due on this transfer.
13. The parties hereby declare to be aware that in terms of Legal Notice 376 of the year 2012, the Vendors are to provide to the Purchasers on the final deed of transfer an Energy Performance Certificate covering the Property at the expense of the Vendors and in their sole responsibility.
14. This Agreement is subject in favour of the Purchaser only, that it obtains financing to pay the entire purchase price of €5,000,000. Should the Purchaser fail to obtain such financing, it is to inform the Vendor and Notary Andre Farrugia by way of electronic mail that it has failed to obtain such approval and this by the 2<sup>nd</sup> October 2021. In the event the Vendor and the said Notary are not informed by the said date, it will be deemed that the financing has been obtained.
15. The parties hereby irrevocably authorise Notary Andre Farrugia to register this agreement in terms of law. The Purchaser is hereby paying to the said Notary the sum of €50,000 as provisional stamp duty.
16. This promise of sale agreement shall remain valid and effective up to the second (2<sup>nd</sup>) day of February of the year two thousand and twenty-two (2022).
17. The Purchaser shall have the right to assign its personal rights arising from this Agreement as subject to the obligations assumed on this Agreement in toto only to another company in which the said Dino Fino shall be the majority shareholder on condition that the assignment or substitution shall be made under the same terms and conditions of this Agreement. Consequently the

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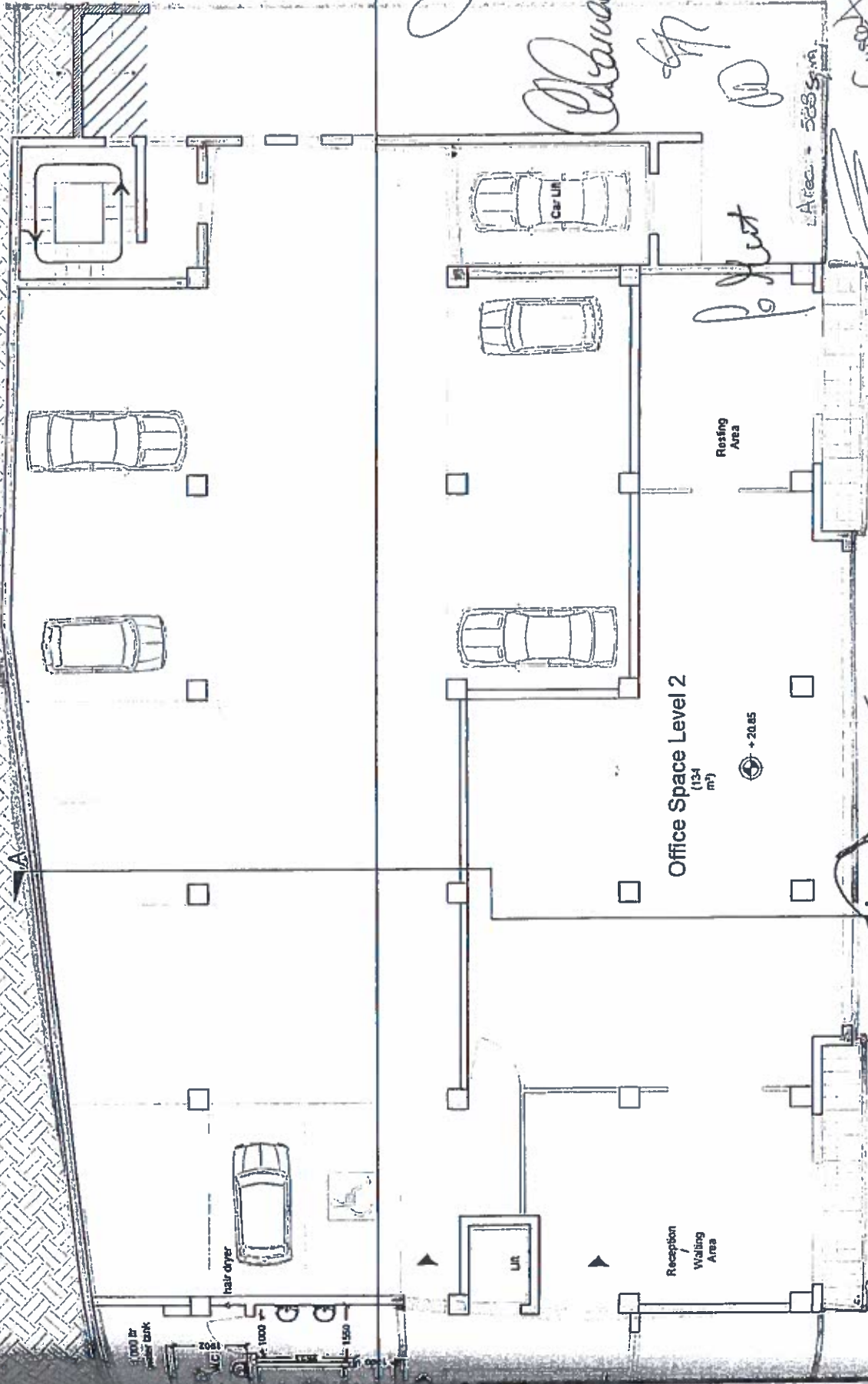
## PRELIMINARY AGREEMENT

Vendor hereby grants his consent for such eventual assignment or substitution and agrees to acknowledge any assignees or substitutes of the Purchaser which shall be another company in which the said Dino Fino shall be the majority shareholder and binds itself to appear on the final deed of transfer with such assignees or substitutes.

18. For the purposes of the Money Laundering Act [Chapter three hundred and seventy three (373) of the Laws of Malta] the Purchaser declares that the funds used and to be used for all payments to be made in relation to the purchase of the said property do not derive from an illegal or criminal activity but they are the fruits of a legal and legitimate activity. The Vendor declares that the funds used to purchase the property to be sold in terms of this agreement and for all payments to be made in relation to the sale of the said property do not derive from an illegal or criminal activity but are the fruits of a legal and legitimate activity. Moreover, the parties declare that they are not politically exposed persons.



AGUIS DE SOLDANIS STREET

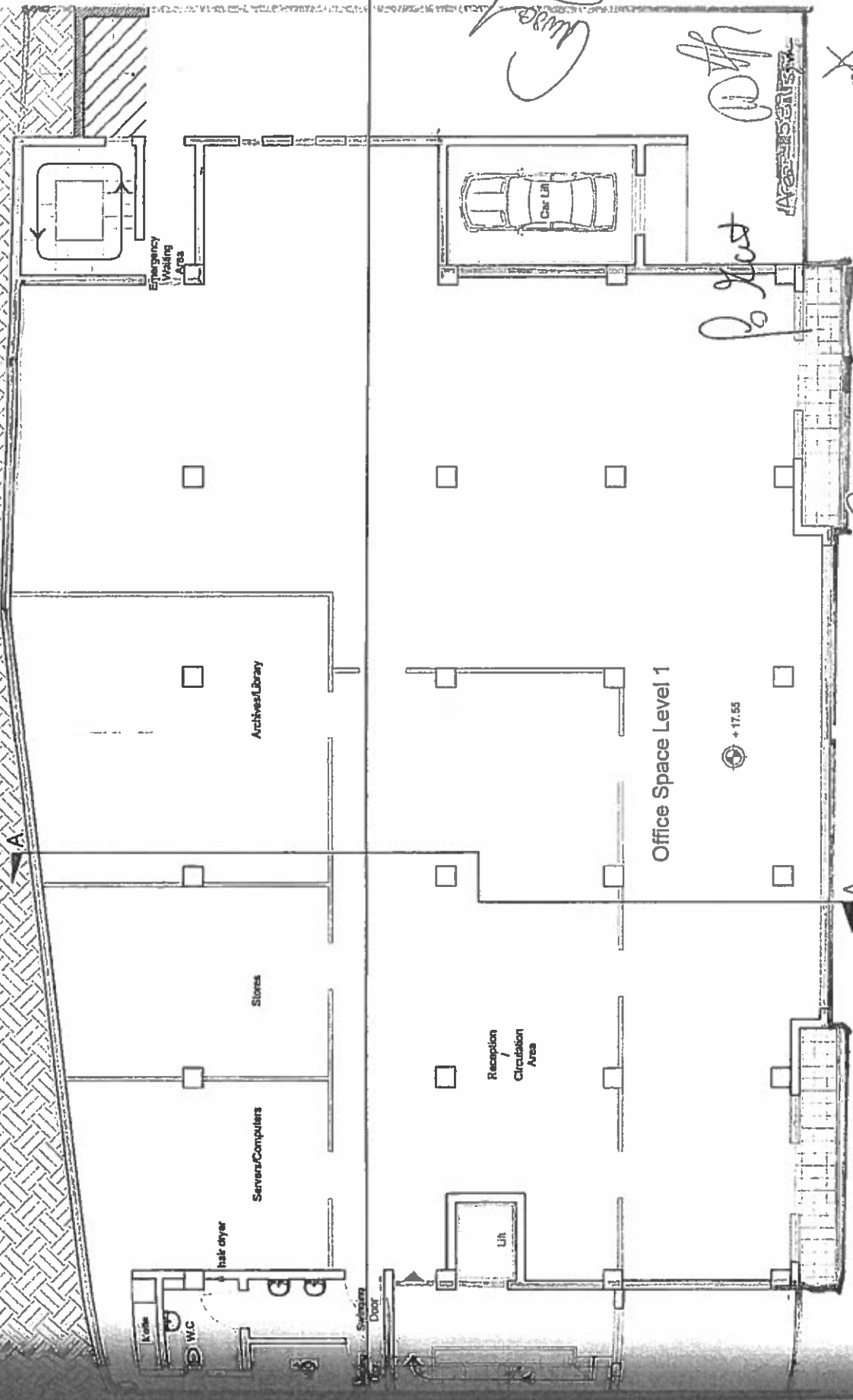




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AGUIS DE SOLDANIS STREET



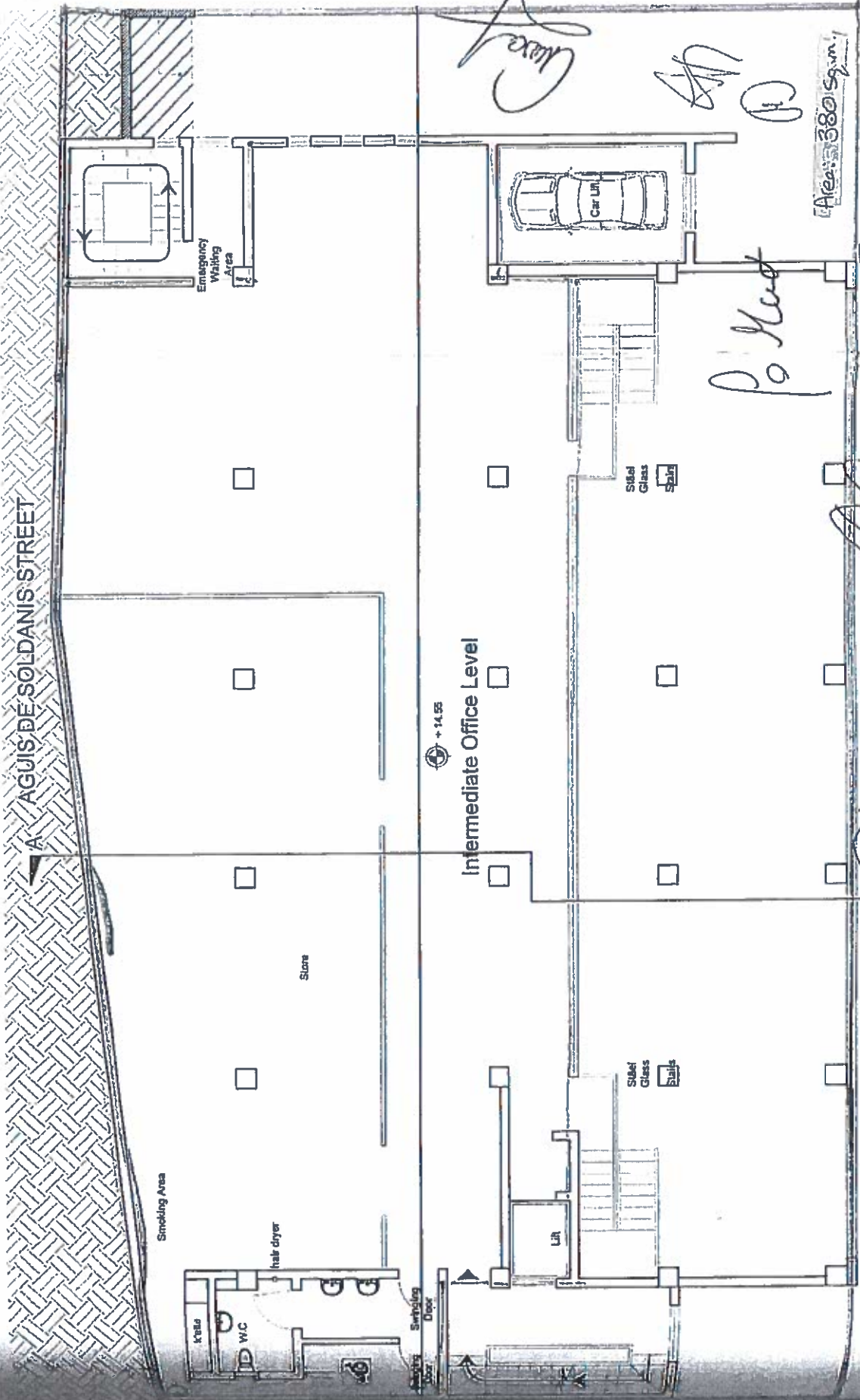
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MSIDA VALLEY ROAD

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AGUIS DE SOLDANIS STREET



+14.55

Intermediate Office Level

Area: 380 sq.m.

*Cheri*



1



- AC PREP POINT
- DOUBLE POLE SWITCH PER AC
- CONSUMER UNIT
- COOKER PREP POINT
- SINGLE SOCKET OUTLET
- DOUBLE SOCKET OUTLET
- TELEVISION POINT
- TELEPHONE POINT
- WATER HEATER POINT

WATER TAP

→ 1137  
Last 17-18 mms. long.

Service Road

• 1130 •

ROADFINDER WORKING DRAWINGS dwg. Z5/09/2017 11:11:47, 1:108 459

MSHDA VALLEY ROAD



Monthly including  
VAT

14,285

Month	Payment %	Payment	Amount not paid	Amount remaining	Payment to be made
Apr-20	0%	-	14,285.00	14,285.00	
May-20	35%	5,000.00	9,285.00	9,285.00	5,000.00
Jun-20	35%	5,000.00	9,285.00	9,285.00	5,000.00
Jul-20	35%	5,000.00	9,285.00	9,285.00	5,000.00
Aug-20	50%	7,142.50	7,142.50	7,142.50	7,142.50
Sep-20	50%	7,142.50	7,142.50	7,142.50	7,142.50
Oct-20	100%	14,285.00	-	-	14,285.00
Nov-20	100%	14,285.00	-	-	14,285.00
Dec-20	100%	14,285.00	-	-	14,285.00
		72,140.00	56,425.00	56,425.00	72,140.00

Month	Payment %	Payment	Amount not paid	Amount remaining	Payment to be made
Jan-21	100%	14,285.00		4,702.08	18,987.08
Feb-21	100%	16,220.77		4,702.08	20,922.86
Mar-21	100%	16,220.77		4,702.08	20,922.86
Apr-21	100%	16,220.77		4,702.08	20,922.86
May-21	100%	16,220.77		4,702.08	20,922.86
Jun-21	100%	16,220.77		4,702.08	20,922.86
Jul-21	100%	16,220.77		4,702.08	20,922.86
Aug-21	100%	16,220.77		4,702.08	20,922.86
Sep-21	100%	16,220.77		4,702.08	20,922.86
Oct-21	100%	16,220.77		4,702.08	20,922.86
Nov-21	100%	16,220.77		4,702.08	20,922.86
Dec-21	100%	16,220.77		4,702.08	20,922.86
		192,713.49	-	56,425.00	249,138.49

Rent increases from Feb

2021

164,957

Yearly excl Vat

Yearly incl Vat 194,649

Monthly incl Vat 16,220.77

Year increase incl Vat 1,935.77

Payments Jan to Mar  
2020 42,855.00