Circular for

Extraordinary General Meeting

22 July 2015

Circular to the shareholders relating to the resolutions being put before the Extraordinary General Meeting of GO p.l.c.

This circular is important and requires your immediate attention

All members on the Register at the Central Securities Depository of the Malta Stock Exchange on the Record Date are entitled to receive notice, participate and vote at the Extraordinary General Meeting of GO p.l.c. If you have sold or transferred any or all of your Shares in GO p.l.c., you should at once hand this Circular together with the notice of the Extraordinary General Meeting and the accompanying documents to the purchaser or transferee or to the person through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Shareholders are advised that they should consider seeking the advice of an appropriate independent advisor before taking any decision in connection with the proposed resolutions.

THIS CIRCULAR IS BEING ISSUED TO THE SHAREHOLDERS OF GO P.L.C. PURSUANT TO THE LEGISLATION AND RULES CURRENTLY APPLICABLE IN MALTA.

GO p.l.c. (C.22334)
GO, Fra Diegu Street, Marsa MRS 1501, Malta

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Interpretation

"Board"	the Board of Directors of the Company.
"Company" or "GO"	GO p.l.c., a public limited liability company registered under the Laws of Malta with company registration number C. 22334 and with registered office situated at GO, Fra Diegu Street, Marsa MRS 1501, Malta.
"Companies Act"	the Companies Act 1995 (Chapter 386 of the Laws of Malta).
"Director(s)"	the director(s) of the Company.
"Distribution"	the payment of an interim dividend in kind by the Company to its Shareholders by way of a distribution of MPL Shares to the Shareholders, to be distributed pro-rata to the Shares held by the Shareholders in the Company as at the close of business on the Distribution Record Date.
"Distribution Record Date"	30 September 2015, or such later date as may be determined by the Board, being the record date for ascertaining entitlements to the Distribution.
"EGM"	the Extraordinary General Meeting of the Company to be held on 22 July 2015.
"Group"	means GO p.l.c. and its subsidiaries.
"Listing"	the listing on the MSE of the MPL Shares after the Distribution.
"Listing Rules"	the Listing Rules made by the Listing Authority under article 13 of the Financial Markets Act (Cap. 345 of the Laws of Malta) as amended, supplemented or otherwise modified from time to time.
"Memorandum & Articles"	the memorandum and articles of association of the Company.
"MEPA"	the Malta Environment & Planning Authority.
"MPL"	Malta Properties Company Limited, a private limited liability company registered under the Laws of Malta with company registration number C. 51272 and with registered address situated at GO, Fra Diegu Street, Marsa MRS 1501, Malta.
"MPL Group"	MPL and its subsidiaries.
"MPL Shares"	the ordinary shares in the share capital of MPL at the time of the Distribution.

"MSE"	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta) having its registered office at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta and registration number C. 42525.
"Net Asset Value"	the total assets less total liabilities, which is referred to as total equity in the financial statements of the Company and its individual subsidiaries.
"Notice"	notice of the EGM to the Shareholders of the Company.
"Properties"	MPL Group's immovable property portfolio comprising of the sites listed in Section 8.1 (i) to (xv) of this Circular.
"Property Holding Companies"	BKE Property Company Limited, MCB Property Company Limited, MSH Property Company Limited, SGE Property Company Limited, SLM Property Company Limited, SPB Property Company Limited and ZTN Property Company Limited.
"Record Date"	22 June 2015, being the record date for ascertaining those Shareholders entitled to attend the EGM.
"Registered Address"	GO, Fra Diegu Street, Marsa MRS 1501, Malta.
"Resolutions"	the resolutions to be approved by the Shareholders at the EGM.
"Shares"	ordinary shares of a nominal value of euro zero point five eight two three four three (€ 0.582343) in the share capital of the Company.
"Shareholders"	holders of the Shares.
"Spin-Off"	the distribution of an interim dividend in kind of the Company's entire shareholding in MPL as described in this Circular.
"Valuation Report"	a property valuation report prepared by the Valuers.
"Valuers"	Architecture Project, a duly warranted partnership of Architects and Civil Engineers in terms of Chapter 390 of the Laws of Malta.

This document contains forward-looking statements, including, without limitation, statements containing the words "believes", "expects", "intends", "may", "will" or, in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual achievements to be different from achievements expressed or implied by such forward-looking statements.

01. Declaration of Responsibility

All the directors of the Company, whose names appear on page 20, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

02. Introduction

An EGM of the Company has been convened for the 22 July 2015 at 16:00 hrs at the Hilton Malta.

The Resolutions will be put before the Shareholders at the EGM. This document accompanies the Notice of the EGM.

The purpose of this Circular is to: (i) provide the Shareholders with information on the reasons for, and the benefits of, the Spin-Off; (ii) provide the Shareholders with an explanation on the financial implications of the Spin-Off; (iii) set out the recommendation of the Board to the Shareholders regarding the Spin-Off, and (iv) provide the Shareholders with an explanation of the changes that must be made to the Memorandum and Articles to provide for a framework within which the Spin-Off may be achieved.

As a result of the Spin-Off, MPL will no longer form part of the Group.

It is intended that the Spin-Off and Listing be implemented by not later than 31 December 2015.

03. Background

3.1 The strategy for the Group's property portfolio

The Company has for a number of years been executing a strategy aimed at allowing Shareholders the ability to extract maximum value from the extensive property portfolio owned by the Group. Historically, all properties were extensively used by the Group either as offices and/or technical installations.

Over the past few years management has extensively centralised its administrative functions into fewer buildings and plans are in place to centralise these further as the Company aims to eventually carry out its administrative functions out of two main office facilities, its Head Office at Marsa and the planned GO Technology Centre at Zejtun.

Every year, the Company invests heavily in technology as it strives to offer its customers unparalleled experience through an innovative product portfolio. As old technology is taken out of service, the Company enjoys a degree of flexibility as to where new equipment is deployed. Whilst the Company is often constrained to remain within the precincts of the existing exchanges, as it renews its technology the Company is able to significantly scale down the footprint it requires to house equipment.

Significant investments have already been made in the Zejtun Exchange and the Mosta Exchange as these have been designated as the main facilities to house the Company's equipment. Further investments are now taking place to scale down the Company's utilisation of a number of other exchanges. For example, the Sliema Exchange is presently occupying circa 1,500 square metres. The new exchange has been built on an area occupying circa 150 square metres, eventually releasing 1,350 square metres for future development or eventual disposal by the MPL Group. A similar process is currently underway at the St. Paul's Bay Exchange and another process is planned for the Marsa Exchange.

3.2 Malta Properties Company Limited

Whilst the Company was developing and implementing this strategy, it also put in place a legal structure that will own and take forward this strategy as a separate business from the Company's telecommunications business. It is the Company's firm belief that the property strategy is best executed by a team of professionals totally dedicated to this business activity. Furthermore, the Board wanted to ensure that these two business units will have their own separate capital and funding structure to ensure that each business unit can pursue its strategy independently of the other unit.

With this aim, MPL was established in 2011 primarily as an investment holding company and its corporate structure includes the Property Holding Companies.

A number of the Group's properties were transferred to the MPL Group in 2011. In 2012, the Company and the Government of Malta concluded an agreement through which the Company gave the Government of Malta title over a tract of land at Qawra in return for title over a number of properties that the Company was using for technical reasons. After the conclusion of this agreement, a number of the properties acquired or consolidated through this transaction were also transferred to the MPL Group. Subject to obtaining the necessary fiscal and statutory clearances, the MPL Group is currently in the process of acquiring title over the St. George's Exchange. This site is currently owned by Mobisle Communications Limited, a subsidiary of the Company. As a result of these transfers, the MPL Group would own all the major properties of the Group's property portfolio.

3.3 Selected financial information for Malta Properties Company Limited

MPL and its subsidiaries each compile audited annual financial statements in accordance with the requirements of the Companies Act. Extracts from the audited consolidated financial statements of MPL Group for the three financial years ended 31 December 2012 to 2014 are set out below:

Malta Properties Company Limited **Extract from the Consolidated Statement of Comprehensive Income for the year ended 31 December**	**2012**	**2013**	**2014**
	€'000	**€'000**	**€'000**
Rental income	1,446	2,971	2,971
Administrative expenses	(11)	(20)	(12)
Operating profit	**1,435**	**2,951**	**2,959**
Finance costs	(906)	(1,857)	(1,857)
Adjustment on fair valuation of property	–	–	(216)
Profit before tax	**529**	**1,094**	**886**
Tax expense	(757)	(184)	(183)
Profit for the year – total comprehensive income	**(228)**	**910**	**703**

Malta Properties Company Limited **Extract from the Consolidated Statement of Financial Position as at 31 December**	**2012**	**2013**	**2014**
	€'000	**€'000**	**€'000**
ASSETS			
Investment property	50,578	50,598	50,610
Trade and other receivables	5,586	7,811	4,459
Cash and cash equivalents	120	120	120
Total assets	**56,284**	**58,529**	**55,189**
EQUITY			
Share capital	50	50	50
Retained earnings	542	1,452	(696)
Total equity	**592**	**1,502**	**(646)**
LIABILITIES			
Borrowings	49,524	49,524	49,524
Deferred tax liability	6,069	6,072	6,073
Current liabilities	99	1,431	238
Total liabilities	**55,692**	**57,027**	**55,835**
Total equity and liabilities	**56,284**	**58,529**	**55,189**

MPL Group reported profit after tax of €0.7m for the financial year ended 31 December 2014 (2013: €0.9m). MPL Group generated rental income of €2.97m, equivalent to a gross yield of 5.9% (2013: 5.9%) on the carrying amount of the property portfolio as at 31 December 2014. The rental income is derived entirely from the Group.

The property portfolio held by MPL Group is carried at a value of €50.6m as at 31 December 2014 (2013: €50.6m). This represents the directors' assessment of the fair value of the properties, which is in turn based on valuations carried out by the Valuers who have appropriate recognised professional qualifications and experience in the location and category of the property being valued. The valuations were made on the basis of open market value taking cognisance of the specific location of the properties, the size of the sites together with their development potential, the availability of similar properties in the area, and whenever possible, having regard to recent market transactions for similar properties in the same location.

The table below summarises the movement in the carrying amount of MPL Group's investment property portfolio between 2012 and 2014. The analysis indicates that the assessment of property values as at 31 December 2014 resulted in a net decrease of €0.2m, which was recognised in the MPL Group's income statement.

Movement in carrying amount of MPL's Investment Property in 2012 – 14	**2012**	**2013**	**2014**
	€'000	€'000	€'000
Carrying amount as at 1 January	22,850	50,578	50,598
Transfers from GO p.l.c.	24,268	–	–
Improvements to properties	3,460	20	228
Changes in fair value of properties	–	–	(216)
Carrying amount as at 31 December	**50,578**	**50,598**	**50,610**

MPL Group's statement of financial position includes borrowings of €49.5m, which relate to amounts due to the Company in connection with the transfer of the property portfolio in 2011 and 2012. Interest on this facility is currently charged at a rate of 3.75% per annum, resulting in finance costs of €1.9m in 2014 (2013: €1.9m). The facility is unsecured and is repayable on 30 September 2017.

The other major liability included in MPL Group's statement of financial position relates to the deferred taxation liability arising in connection with the valuation of investment property. The deferred tax liability as at 31 December 2014 amounts to €6.1m and is calculated on the basis of the tax regime applicable as at this date.

Trade and other receivables of €4.5m as at 31 December 2014 (2013: €7.8m), include €4.4m (2013: €6.4m) that is receivable from other Group companies in connection with the rental charged by MPL Group. These amounts are unsecured, interest free and repayable on demand.

3.4 The vision for the MPL Group

MPL's strategic vision is to become a leading player in the provision of premium commercial space.

MPL will retain title over the various exchanges used by the Company and will execute the development of its three main sites namely the Zejtun Exchange, the Marsa Exchange (Spencer Hill) and the B'Kara Exchange.

MPL, through its subsidiary company ZTN Property Company Limited, has initiated a process aimed at securing planning permits to further develop the Zejtun Exchange. The purpose of this development is to centralise a number of administrative functions of the Company and to build what is expected to be Malta's largest data centre for use by the Group. The GO Technology Centre, as this facility will be known, will be used exclusively by the Group on a long term lease arrangement.

MPL Group has also finalised its plans to redevelop the Marsa Exchange (Spencer Hill), into a state of the art business centre. In May 2015, a subsidiary company of MPL initiated the process to obtain planning permission from MEPA. Upon completion, the business centre will be offered for lease to third parties.

MPL Group is also working on a process similar to that of the Marsa Exchange, for the Birkirkara Exchange and expects to initiate the MEPA planning process later this year.

The current plans also provide for the disposal of certain properties once these are vacated by the Company, with the proceeds from these disposals being used to part-finance the planned developments outlined above. In this respect, the current plans assume that the portion of the Sliema Exchange and the St. Paul's Bay Exchange vacated by the Company will be sold as these sites lie within zones designated for the development of residential homes.

04. The Spin-Off

4.1 Company Announcement

On 5 May 2015 the Company announced that various options were being explored with a view to restructuring the Group and enhancing Shareholder value. One of the options under consideration was that of spinning-off MPL. A copy of the relative Company Announcement is available on the Company's website.

The Company is desirous of obtaining Shareholder approval in general meeting in connection with and prior to proceeding with the Spin-Off.

4.2 The Proposal

The Company's principal objective and its main operating activity is the operation of a telecommunications and ancillary services portfolio. As part of its business plan, the Company is intent on focusing its operational and financial capabilities to deliver its core objectives.

As the strategic focus and consumer demographics are different for the immovable property market and the core business of the Company the Spin-Off would enable both the Company and MPL to focus on their respective core businesses and to interact with their respective shareholder bases more effectively. In turn, this could improve capital allocation and the ability to raise capital on a more competitive basis which would enhance growth opportunities within each company. Additionally, the Spin-Off would enable MPL to directly raise equity or debt through either the capital markets or the banks independently of the telecommunications business.

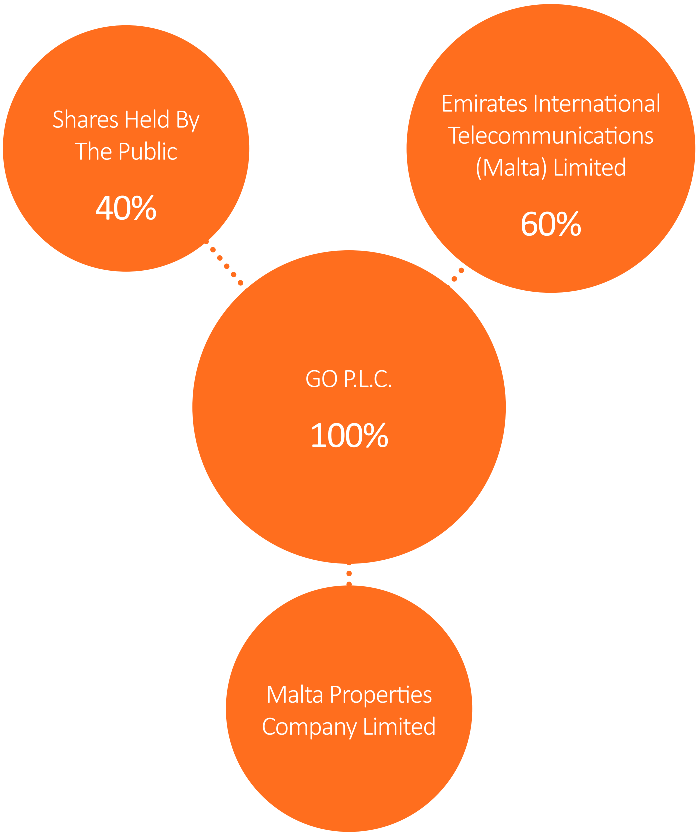
The Company believes that the Spin-Off is in the best interest of its business, and hence the Shareholders.

The Spin-Off is intended to be effected by way of a Distribution to the Shareholders, and MPL Shares will not be offered to the public as part of the Spin-Off.

In anticipation of the Spin-Off, part of the amounts due by MPL to the Company would be capitalised in favour of the Company. Also in anticipation of the Spin-Off, MPL will be converted to a public limited company. Provided that the Shareholders approve the Resolutions at the EGM, the Board proposes to proceed with the payment, in kind, of the interim dividend on the Distribution Record Date. The Dividend will be paid by the transfer to the Shareholders of the MPL Shares pro-rata to the Shares held by the Shareholders in the Company as at the close of business on the Distribution Record Date. MPL intends to file an application with the Listing Authority for admission to listing of its shares on the MSE.

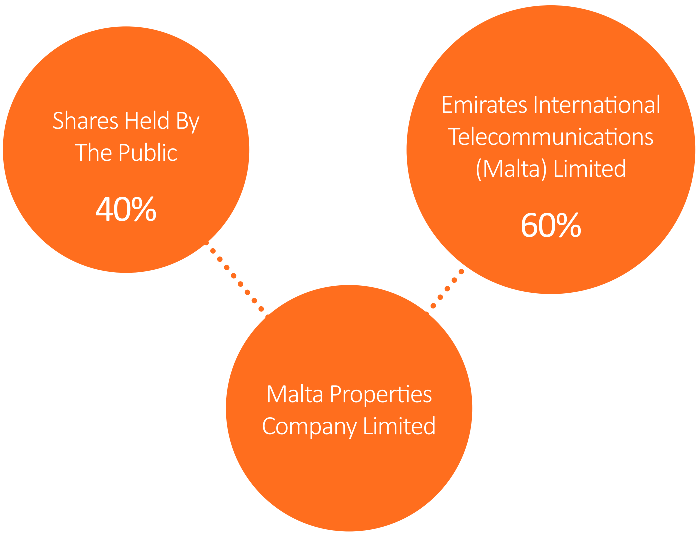
The current shareholding structure of MPL is set out below.

Current Structure



Upon completion of the Spin-Off the Company will no longer hold any shares in MPL and the shareholding structure shall be set out as below.

Upon Completion



4.3 Basis for determining the value of the Distribution

The value of the Distribution will be determined by reference to the Net Asset Value of MPL Group as at the Distribution Record Date. This will be extracted from the consolidated financial statements of MPL Group, prepared as at that date.

As outlined in Section 3.3, as at 31 December 2014 the consolidated financial statements of MPL Group indicate a Net Liabilities position of €0.65m. This amount will however change to reflect the effect of certain transactions that will have been implemented by the Group by the date of the Spin-Off as outlined further in Section 4.3.1 below.

4.3.1 Pro Forma Net Asset Value of MPL as at 31 December 2014

The table below sets out extracts from the pro forma statement of MPL's consolidated financial position and highlights that, should the measures outlined below be applied to the financial position as at 31 December 2014, this would result in a Net Asset Value for MPL Group of €31.6m. *The pro forma consolidated statement of financial position of MPL Group as at 31 December 2014 is set out in Appendix A to the Circular.*

Analysis of Pro Forma Net Asset Value of MPL Group as at 31 December 2014	**31-Dec-14**	**Pro Forma adjustments**				**31-Dec-14**
	Actual	**1**	**2**	**3**	**4**	**Pro Forma**
	€'000	€'000	€'000	€'000	€'000	€'000
Fair value of investment property	50,610	2,200				52,810
Deferred tax liability	(6,073)	(264)			1,208	(5,129)
Net amounts due to Group Companies	(45,082)	(1,936)	16,000	31,018		–
Borrowings	–		(16,000)			(16,000)
Other assets/liabilities	(101)					(101)
Net Asset/ (Liabilities) Value of MPL	**(646)**	**–**	**–**	**31,018**	**1,208**	**31,580**

Source: Consolidated Statement of Financial Position and Pro Forma Consolidated Statement of Financial Position of MPL Group as at 31 December 2014

Further details in relation to the pro forma adjustments included in the above analysis are set out below:

Pro Forma Adjustment (1) – as outlined in Section 3.2, subject to obtaining the necessary fiscal and statutory clearances, the Group will be transferring ownership of the St. George's Exchange to the MPL Group. As at 31 December 2014, the property was carried at a valuation of €2.2m with a related deferred tax liability of €0.26m.

Pro Forma Adjustment (2) – the Company is currently in discussions with its bankers in relation to the possibility of securing a facility of €16m for MPL. It is envisaged that the facility will be in the form of a bank loan with a repayment term of 10 years. The proceeds from these facilities will be used by MPL to settle part of the amounts currently due to the Company. It is expected that these facilities will be sanctioned and the loan drawn down prior to the Spin-Off. Should this not materialise, the Company undertakes to provide MPL with a facility of an equivalent amount on terms similar to those being negotiated with the bank.

Pro Forma Adjustment (3) – prior to the Spin-Off, the Company will capitalise any amounts due by MPL to the Company after the settlement of the amounts received by the Company pursuant to Pro Forma Adjustment (2). Based on the balances as at 31 December 2014, the required capitalisation would be of €31m.

Pro Forma Adjustment (4) – further to the enactment of Act XIII of 2015 (An Act to implement Budget measures for the financial year 2015 and other administrative measures) on 30 April 2015, the basis for calculating the deferred tax liability arising in relation the MPL Group's immovable property has changed. Based on the directors' current understanding of provisions of this new legislation, the revision would result in a reduction of €1.2m in the deferred tax liability arising on MPL Group's property portfolio as at 31 December 2014.

4.3.2 Changes in the fair value of MPL's property portfolio

In addition to the changes resulting from the matters captured in the above pro forma adjustments, the other parameter that may result in a change in the value of the Distribution relates to the valuation of MPL Group's property portfolio.

As outlined in Section 3.2, the carrying amount of MPL Group's property portfolio as at 31 December 2014 is of €50.6m. This amount is based on valuations for each individual property that were prepared by the Valuers. The valuation assessment for each property will be re-established as at the Distribution Record Date, to reflect fair value as at that date.

Eventual changes in the valuation of the properties will reflect, ***inter alia,*** changes in overall market conditions since the date of the previous valuation, as well as developments in terms of the specific circumstances of a particular property including, in particular, the status of any pending planning permits or planning regulations pertinent to the property being valued. Any changes in the fair value of individual properties will result in a related adjustment to the deferred taxation liability recognised in relation to that property.

In connection with the preparation of this Circular, the Directors have obtained updated property valuations for MPL Group's entire property portfolio as at 22 May 2015. The updated valuations have confirmed the carrying amount of the property portfolio as at 31 December 2014. ***Refer to Section 8 for further details in relation to the basis underlying the property valuations as at 22 May 2015.***

4.3.3 Pro Forma value per share

MPL's current share capital is designated in the form of 50,000 ordinary shares of €1 each. In order to simplify the mechanics of the Spin-Off, MPL's share capital will be increased and redesignated to match the number of shares of GO. On this basis, the share capital of MPL as at the Distribution Record Date will consist of 101,310,488 shares.

The table below illustrates that the Pro Forma Net Asset Value of MPL's shares as at 31 December 2014 would result in a value per share of €0.31, when applied to the increased share capital base of 101,310,488 shares.

Pro Forma Net Asset Value of MPL as at 31 December 2014 in €'000	31,580
Redesignated share capital as at Distribution Record Date in number of ordinary shares	101,310,488
Pro Forma Value per Share of MPL as at 31 December 2014 in €/share	**0.312**

The indicated value per share of €0.31 may change as a result of the matter outlined in this Section 4.3.

05. Reasons for, Benefits of, and Risks Associated with the Spin-Off

The Spin-Off will be beneficial to the Company's Shareholders for the following reasons:

(i) It will permit the separation of the property business from the telecommunications and ancillary services business of the Group, thereby allowing it to unlock the value attached to its property portfolio. Property is often viewed as an extension of the telecommunications infrastructure and there is limited visibility of the potential of this asset as advances in technology allow the Company to release substantial parts of its property;

(ii) As the strategic focus and consumer demographics are different for the immovable property business and the telecommunications business of the Company, the Spin-Off would enable the Company and MPL as separate entities to focus on and pursue their respective strategies;

(iii) It will allow both the Company and MPL to target their respective shareholders more effectively given the more visible risk profile of each of the two businesses. This will in turn improve each company's ability to raise capital, be it equity or debt, and to do so on a more competitive basis. The improved ability to raise equity or debt is key to both the Company and MPL to execute their respective strategy and pursue growth; and

(iv) It will lead to a more direct alignment of the responsibilities and accountability of the management teams responsible for each company with their respective operating and financial performance. This should result in enhanced management focus on the respective business, hence improved performance.

The Spin-Off will give rise to the following risks to the Company's shareholders:

- The Spin-Off will result in the addition of a fixed operating cost to the Company's cost structure, in the form of the annual rent payable to MPL Group. This will increase the level of operational leverage underlying the Company's cost structure, which means that a downturn in the Company's performance could have a greater impact on its operating results and cash generation;

- As illustrated in Section 6.2, the Spin-Off will result in a reduction in the Company's total assets. The reduction in assets will initially impact the financial strength of the Company as well as the level of asset cover available to its shareholders. The decrease in assets will be partially mitigated by a reduction in the level of the Company's net debt levels, given that (as explained in Section 4.3) MPL will be settling a portion of the amounts currently due to the Company;

- The analysis in Section 6.2 also illustrates that the Spin-Off will result in an increase in the level of financial leverage underlying the Company's funding structure and a reduction in interest cover. This gives rise to the risks that are typically associated with an increased level of financial gearing, including in particular the possibility that adverse changes to the Company's operating performance will affect its ability to meet debt service obligations;

- Further to the Spin-Off, the Company will no longer hold title to the majority of the properties utilised for its operating activities. The Directors will however be ensuring that the lease agreements in place with MPL Group will provide for appropriate safeguards to secure the Company's interests in relation to the said properties. Nevertheless, the Company's properties will give rise to counter-party risks should MPL Group not perform in line with the Company's expectations and in accordance with their contractual obligations.

06. Financial Implications of the Spin-Off

This section of the Circular sets out an illustration of the financial implications of the Spin-Off on the consolidated results and financial position of the Company. The illustration is based on extracts from the pro forma consolidated income statement and consolidated statement of financial position of the Company for the financial year ended 31 December 2014, which are set out in Appendix A to the Circular. **The pro forma statements assume that the Spin-Off is (hypothetically) implemented on 1 January 2014.**

There has not been any significant change in the financial or trading position of the Company in relation to that set out in its consolidated financial statements as at 31 December 2014.

6.1 Illustrating the effect of the Spin-Off on the Company's operating results

The table below sets out a comparison between the Company's consolidated results for the year ended 31 December 2014 and the pro forma results that would have resulted assuming the Spin-Off had been implemented on 1 January 2014. The comparison indicates that this would have resulted in a reduction of €1.8m in the Company's consolidated profit (after tax) for the year, from the reported result of €14.6m to the pro forma result of €12.8m.

Statement illustrating the effect of the Spin-Off on the Consolidated Income Statement of the Group	31-Dec-14 Actual €'000	31-Dec-14 Pro forma €'000	Change (+/-) €'000
Revenue	**122,258**	**122,258**	**–**
Cost of sales	(71,890)	(73,476)	(1,586)
Gross profit	**50,368**	**48,782**	**(1,586)**
Administrative and other related expenses	(29,801)	(30,643)	(842)
Other income	1,337	1,337	–
Other expenses	(140)	(140)	–
Operating profit	**21,764**	**19,336**	**(2,428)**
Finance income	390	390	–
Finance costs	(2,315)	(2,315)	–
Adjustments arising on fair value of property	491	726	235
Profit before tax	**20,330**	**18,137**	**(2,193)**
Tax expense	(5,704)	(5,307)	397
Profit for the year	**14,626**	**12,830**	**(1,796)**

Source: Consolidated Income Statement and Pro Forma Consolidated Income Statement of GO p.l.c. for the year ended 31 December 2014

The pro forma reduction in the Company's consolidated profit for the year principally reflects the effect of the rental charge payable by the Company on the properties owned by the MPL Group. This charge, which amounted to approximately €3m in 2014, will no longer be eliminated upon the consolidation of the results of the Company.

Another adjustment reflected in the pro forma consolidated income statement relates to a reduction of €0.54m in the Company's consolidated depreciation charge on account of the properties owned by the MPL Group.

The other adjustments reflected in the pro forma consolidated income statement include: the reversal of the impairment charge of €0.24m recognised in relation to MPL Group's property portfolio; an adjustment of €1m to the tax charge of the Company for 2014 on account of the tax liability on the profits recognised by the MPL Group; and an adjustment of €0.64m to the deferred tax charge that had been recognised on account of the properties owned by the MPL Group.

6.2 Illustrating the effect of the Spin-Off on the Company's financial position

The table below sets out a comparison between the Company's consolidated statement of financial position as at 31 December 2014 and the pro forma position that would have resulted assuming the Spin-Off had been implemented on 1 January 2014.

Statement illustrating the effect of the Spin-Off on the Consolidated Statement of Financial Position of the Group	31-Dec-14 Actual €'000	31-Dec-14 Pro forma €'000	Change (+/-) €'000
ASSETS			
Property, plant and equipment	133,640	83,029	(50,611)
Investment property	2,199	–	(2,199)
Cash and cash equivalents	12,509	25,419	12,910
Other (grouped)	75,518	76,557	1,039
Total assets	**223,866**	**185,005**	**(38,861)**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	58,998	58,998	–
Other reserves	(1,964)	(1,964)	–
Revaluation reserve	17,604	–	(17,604)
Retained earnings	35,379	20,679	(14,700)
Total equity	**110,017**	**77,713**	**(32,304)**
LIABILITIES			
Borrowings	53,998	53,998	–
Trade and other payables	42,522	42,396	(126)
Deferred tax liabilities	7,178	841	(6,337)
Current tax liabilities	122	28	(94)
Other (grouped)	10,029	10,029	–
Total liabilities	**113,849**	**107,292**	**(6,557)**
Total equity and liabilities	**223,866**	**185,005**	**(38,861)**

Source: Consolidated Statement of Financial Position and Pro Forma Consolidated Statement of Financial Position of GO p.l.c. as at 31 December 2014

The comparison indicates that the Spin-Off would have reduced the Company's total assets by €38.9m, from €223.9m to €185.0m. The principal movements underlying this reduction include decreases in the carrying amount of property, plant and equipment (€50.6m) and investment property (€2.2m) on account of the properties owned by the MPL Group that will no longer be reflected in the Company's consolidated statement of financial position pursuant to the Spin-Off. The pro forma statement also reflects an increase of €12.9m in the amount of cash and cash equivalents, which reflects the effect of the €16m that is assumed to be received by the Company in part settlement of the amounts currently due by the MPL Group ***(refer to explanation in Section 4.3.1)*** and the rental charge of €3m that is assumed to be incurred by the Company on account of the properties owned by the MPL Group ***(refer to explanation in Section 6.1).***

The comparison also indicates a reduction of €6.5m in the Company's total liabilities, from €113.8m to €107.3m. The principal movement relates to the reduction of €6.3m in deferred taxation liability on account of the provision that had been recognised in relation to the properties owned by the MPL Group. This provision will no longer be reflected in the Company's consolidated statement of financial position.

In terms of the Company's total equity capital, the comparison indicates a reduction of €32.3m from €110m to €77.7m. This includes a reduction of €17.6m in the Company's revaluation reserve (which would effectively be fully realised upon the Spin-Off) and a further reduction of €14.7m in the Company's retained earnings.

The pro forma reduction of €32.3m in the Company's total equity as at 31 December 2014 can be further analysed as follows:

	€'000
Effect of distribution of dividend (in the form of shares in MPL) as at 1 January 2014*	30,508
Effect of reduction in profit for the financial year ended 31 December 2014	1,796
Pro Forma reduction in the Company's Total Equity as at 31 December 2014	**32,304**

Note: the difference between the pro forma effect of the distribution of dividend (€30.5m) and the pro forma net asset value of MPL Group as set out in Section 4.3.1 (€31.6m) relates to the effect of the change in the tax regime regulating the transfer of immovable properties, which was enacted on 30 April 2015. As explained in Section 4.3.1 this resulted in a reduction of €1.2m in the deferred tax liability recognised on the properties that are assumed to be transferred to MPL Group. This reduction is reflected in the pro forma net asset value of the MPL Group but not in the pro forma effect of the Spin-Off on the Company's financial position as follows:

	€'000
Effect of distribution of dividend (in the form of shares in MPL) as at 1 January 2014*	30,508
Effect of transactions in 2014 that impacted MPL's NAV	(136)
Effect of changes in tax regime enacted in 2015	1,208
Pro Forma Net Asset Value of MPL Group as at 31 December 2014 (Sec 4.3.1)	**31,580**

6.3 Illustrating the effect of the Spin-Off on the Company's Financial Parameters

The table below sets out the effect of the Spin-Off on some of the Company's financial parameters in terms of profitability, return on investment, debt service and capital structure.

Statement illustrating the effect of the Spin-Off on Financial Parameters for the Company as at 31 December 2014	31-Dec-14 Actual	31-Dec-14 Pro forma
Profit Margins		
Gross Profit Margin (gross profit as a % of revenue)	41.2%	39.9%
Operating Profit Margin (operating profit as a % of revenue)	17.8%	15.8%
Net Profit Margin (net profit as a % of revenue)	12.0%	10.5%
Return on Investment		
Return on Assets (operating profit as a % of total assets)	9.7%	10.5%
Return on Equity (profit for the year as a % of total equity)	13.3%	16.5%
Debt Service and Capital Structure		
Total Liabilities as a % of Total Assets	50.9%	58.0%
Borrowings as a % of Total Assets	24.1%	29.2%
Borrowings (net of Cash) as a % of Total Assets	18.5%	15.4%
Interest Cover (operating profit: finance costs)	9.4x	8.4x
Borrowings: operating profit	2.5x	2.8x

The comparison illustrates that the Spin-Off would result in a reduction in the Company's profit margins but an improvement in the return on investment. All metrics of profitability, expressed as a percentage of revenue, experience a reduction as a result of lower profitability due to the annual lease charge. However, Return on Assets increased from 9.7% to 10.5% whilst Return on Equity stepped up from 13.3% to 16.5%. These improvements are a reflection of the fact that the pro forma reduction in total assets is arising on assets (MPL Group's property portfolio) that are generating a lower rate of return than the other operating assets employed in the Company's core operations.

The comparison also illustrates that the reduction in equity resulting from the Spin-Off would result in an increase in the Company's financial leverage, with borrowings expressed as a percentage of total assets increasing from 24.1% to 29.2%. Furthermore, the Spin-Off would result in a reduction in the level of debt service cover, with the Company's interest cover from 9.4 times to 8.4 times.

The above analysis highlights that had the Spin-Off been implemented during the last financial year, the Company would have still reported healthy levels of profitability margins, return on investment and financial leverage.

07. Declarations

The Spin-Off will not have an effect on the ownership of the Company's capital. It is declared that Emirates International Telecommunications (Malta) Limited currently holds 60,786,292 Shares in the Company, reflecting sixty per cent (60%) of the Company's share capital.

The total emoluments receivable by the Directors of the Company will not be varied as a result of the Spin-Off.

There are no legal or arbitration proceedings (including pending or threatened) regarding MPL which may have a significant effect on the Company and/or the Group's financial position.

08. Property Valuation Report

8.1 Valuation Report

The Company commissioned the Valuers to issue a Valuation Report on MPL Group's Properties comprised of the following sites in Malta and Gozo:

i. GO Head Office, Triq Fra Diegu, Marsa
ii. Marsa Exchange, Spencer Hill, Marsa
iii. Zejtun Exchange, Bulebel Industrial Estate, Żejtun
iv. B'Kara Exchange in Triq Salvu Psaila Birkirkara
v. Commercial premises, Triq il-Fniek, Birkirkara
vi. Mosta Exchange at Mosta Technopark, Triq Valletta, Mosta
vii. Naxxar Radio Link, Triq San Pawl c/w Triq Għargħur, Naxxar
viii. St Francis Complex, St Francis Ravelin, Floriana
ix. Rabat Exchange, it-Telgħa tas-Saqqajja, Rabat, Malta
x. New Sliema Exchange (Site A), previously forming part of the Old Sliema Exchange, Sqaq Rodolfu, Sliema (Recently under construction, currently being finished)
xi. Old Sliema Exchange (Site B), Triq Parisio c/w Triq Moroni, Sliema
xii. New St. Paul's Bay Exchange (Site A), previously forming part of the Old St. Paul's Bay Exchange, Triq San Ġorġ, St Paul's Bay (currently under construction)
xiii. Old St. Paul's Bay Exchange (Site B), Triq San Ġorġ, St Paul's Bay
xiv. GO retail outlet and office at 39, Triq ir-Repubblika, Rabat, Gozo
xv. St George's Exchange, Triq San Ġorġ, St. Julian's, Malta (currently in the process of being acquired by MPL)

The aggregate valuation of the Properties is of €52,810,000 which is in line with the carrying amount of the properties in the consolidated financial statements of the Company as at 31 December 2014.

A condensed version of the Valuation Report is attached to this Circular as Appendix B. The full Valuation Reports are available for inspection at the Registered Address.

The Valuation Reports are dated 22 May 2015.

The Valuers have given and have not withdrawn their written consent to the inclusion of the reference to the Valuers' names in the form and context in which they are included in this Circular. The Valuers have also given and have not withdrawn their written consent for the publication of the Valuation Report in the form and context in which it is included in this Circular.

8.2 Occupancy Terms

The current annual lease payments for the MPL Group's immovable properties are as follows:

GO Head Office, Triq Fra Diegu, Marsa	€678,420
Marsa Exchange, Spencer Hill, Marsa	€351,420
Zejtun Exchange, Bulebel Industrial Estate, Żejtun	€363,751
B'Kara Exchange, Triq Salvu Psaila Birkirkara	€379,215
Commercial premises, Triq il-Fniek, Birkirkara	€94,260
Mosta Exchange, Mosta Technopark, Triq Valletta, Mosta	€253,346
Naxxar Radio Link, Triq San Pawl c/w Triq Għargħur, Naxxar	€108,617
St Francis Complex, St Francis Ravelin, Floriana	€164,400
Rabat Exchange, it-Telgħa tas-Saqqajja, Rabat, Malta	€68,760
Old Sliema Exchange (Site B), Triq Parisio c/w Triq Moroni, Sliema	€235,293
Old St. Paul's Bay Exchange (Site B), Triq San Ġorġ, St Paul's Bay	€229,225
39, Triq ir-Repubblika, Rabat, Gozo	€44,760

The total annual amount received by MPL Group by way of lease payments is €2,971,467.

Other occupancy terms for the above Properties are currently being renewed / established on an arms' length basis to reflect (i) the most recent valuation of each Property; (ii) the planned investment that MPL will make on a number of properties for the benefit of the Company and (iii) the duration that each Property will be used by the Company.

Furthermore, two properties namely (i) New Sliema Exchange (Site A), Sqaq Rodolfu, Sliema and (ii) New St. Paul's Bay Exchange (Site A) previously forming part of Switching Centre, Triq San Ġorġ, St Paul's Bay, Malta are currently under construction whilst a third property, St George's Exchange, Triq San Ġorġ, St. Julian's, Malta is in the process of being acquired by MPL. Terms for these three properties are being finalised.

8.3 Security

The Group's property portfolio, including those properties owned by or in the process of being transferred to MPL, is offered as security to the Company's bankers. The Company is in negotiations with its bankers to release the General and Special Hypothecs that the Company's bankers have over the properties that are or will be owned by MPL.

As mentioned in Section 4.3.1 above, MPL is in discussions with a leading Maltese bank to secure a loan of €16 million to repay a loan of an equivalent amount that MPL owes to the Company. MPL is also discussing with this same bank a facility of €8.5 million with which it will finance the development cost of the GO Technology Centre that is planned to be constructed on the Zejtun Exchange site. MPL will offer some of its property as security to cover these two facilities.

09. Accountant's Report on Pro Forma Financial Information

An Accountant's Report on the pro forma financial information included in this Circular has been prepared by PricewaterhouseCoopers (PwC) in compliance with the requirements of the Listing Rules. The Accountant's Report is attached to this Circular as Appendix C.

PwC has given and has not withdrawn its written consent to the inclusion of the reference to PwC's name in the form and context in which it is included in this Circular. PwC has also given and has not withdrawn its written consent for the publication of the Accountant's Report in the form and context in which it is included in this Circular.

10. Conditions Precedent to the Spin-Off

The Spin-Off and Listing will be conditional upon, among other things:

i. the resolution taken at the EGM approving the amendments to the Memorandum and Articles;
ii. the resolution taken at the EGM approving the Spin-Off;
iii. the payment, by the Board of Directors of the Company to its shareholders, of an interim dividend in kind consisting of the Company's shareholding in MPL;
iv. the approval of Listing being obtained from the Listing Authority;
v. the attainment by the Company of the release of all special and general hypothecs that the bankers of the Company, namely, HSBC Bank Malta p.l.c and Bank of Valletta p.l.c. and Raiffeisen Bank International AG enjoy over properties currently owned by, or are in the process of being transferred to, MPL;
vi. the attainment by the Company and MPL of the relevant fiscal clearances in connection with the Spin-Off;
vii. the attainment of the necessary regulatory clearances, including the attainment by Emirates International Telecommunications (Malta) Limited of an AIP Permit in terms of the Immovable Property (Acquisition by Non-Residents) Act, Chapter 246 of the Laws of Malta;

If any of these and other applicable conditions are not obtained, fulfilled or waived, as applicable, prior to the dates and times to be specified, the Spin-Off will not proceed and an announcement will be published by the Company as soon as practicable thereafter.

11. The Resolutions

11.1 Amendments to the Memorandum and Articles of Association of the Company

Text of the Extraordinary Resolution:

"It is hereby resolved to alter the Memorandum and Articles of Association of the Company as follows:

(i) That the following new Clause 3(l) be added to the current Article 3 of the Memorandum of Association of the Company immediately after Clause 3(k):

> *(l) to distribute among the members of the Company, whether by way of final or interim dividend or otherwise, in kind, any assets or property of the Company, and in particular, any paid-up shares, debentures or other securities belonging to the Company (including paid-up shares, debentures or other securities in subsidiaries of the Company);*

(ii) That the current Clauses 3(l), 3(m) and 3(n) be renumbered Clauses 3(m), 3(n) and 3(o).

(iii) That the current Article 82 of the Articles of Association of the Company be substituted with the following new Article 82:

> *82. The Directors may from time to time pay to the Members such interim dividends, whether in cash or in kind, as appear to the Directors to be justified by the profits of the Company.*

(iv) That the current Article 83 of the Articles of Association of the Company be substituted with the following new Article 83:

83.1 No dividend shall be paid otherwise than out of the profits of the Company available for distribution. A dividend, whether final or interim, may be wholly or partly paid in kind by the distribution of specific assets or property of the Company, and in particular, by the distribution of paid-up shares, debentures or other securities belonging to the Company (including paid-up shares, debentures or other securities in subsidiaries of the Company).

83.2 Where any difficulty arises in regard to any distribution of any specific assets or property in kind, the Company shall settle the same in the manner it deems most expedient and may vest any such assets or property in trustees.

(v) That the current Article 87.1 of the Articles of Association of the Company be substituted with the following new Article 87.1:

87.1 Any cash dividend or other moneys payable in respect of a share will be paid by electronic means directly to such bank account as may be designated by the holder or, in the case of a share held jointly by more than one Person, to the account designated by the Member nominated and named in the Register of Members. Should there be no such nomination, the dividend shall be paid into the account designated by the first named joint Member appearing on the Register of Members:

PROVIDED that where no account has been designated by the Member, the dividend is to be kept by the Company for collection by the Member entitled to such dividend or for payment by electronic means as aforesaid when the account is made known to the Company by the Member. PROVIDED that, in the case of a share held by joint holders, anyone of such holders may give an effective and valid receipt for all dividends and payments on account of dividends and payments in respect of such share. The payment of dividend to any account designated by one of the joint holders shall be deemed to be a good discharge to the Company.

PROVIDED FURTHER that, nothing in this Article shall preclude the Company from offering to pay dividends to its Members by any other means.

Purpose of the Extraordinary Resolution: The purpose of the extraordinary resolution is to further extend the powers of the Company for the purposes of enabling it to pay dividends in kind and to introduce supporting articles regulating a distribution of a dividend in kind.

The Resolution Explained: The Memorandum of Association of the Company remains unchanged save the insertion of a new object to permit the distribution, amongst the members of the Company, of any property of the Company, whether by way of dividend or otherwise, in kind. The Articles of Association of the Company remain unchanged save the insertion of provisions which permit and facilitate the payment of dividends in kind.

11.2 Spin-Off

Text of the Ordinary Resolution:

"It is hereby resolved to approve the Spin-Off of the Company's shareholding in Malta Properties Company Limited ("MPL") to be effected through the payment, by the Company to its shareholders, of an interim dividend in kind by way of a distribution of the Company's shareholding in MPL (to be distributed pro-rata to shares held by the Shareholders in the Company) and to authorize the board of directors of the Company to take all measures that may be necessary or expedient to implement the Spin-Off."

Purpose of the Resolution: The purpose of this resolution is to obtain Shareholder approval of the Spin-Off of MPL.

The Resolution Explained: The resolution will permit the Board to take all measures that it may deem necessary or expedient to implement the Spin-Off of the Company's shareholding in MPL by way of an interim dividend, to be paid in kind by way of a distribution of MPL Shares to the Shareholders pro-rata to the shares held by them in the Company.

12. List of Current Directors

i. Deepak Srinivas Padmanabhan
ii. Saviour Baldacchino
iii. Paul Fenech
iv. James Michael Kinsella
v. Nikhil Prakash Patil
vi. Norbert Prihoda
vii. Paul Testaferrata Moroni Viani
viii. Yasser Ibrahim Adel Zeineldin

13. Interest of Directors

As on the date hereof, Mr. Saviour Baldacchino holds 10,600 Shares in the Company. Mr. Paul Fenech holds a beneficial interest in the Company of 130,995 Shares through his shareholding in Classic Group Ltd. The Noble P S Testaferrata Moroni Viani has a beneficial interest in the Company of 75,494 Shares and 2,900 Shares through his shareholding in Testaferrata Moroni Viani (Holdings) Ltd. and Testaferrata Moroni Viani Ltd. respectively.

As a result of the Spin-Off, the above-mentioned directors will become direct or indirect shareholders of MPL.

None of the other Directors of the Company have any interest in the shares of the Company or the Company's subsidiaries or investees or any interest in any contracts or arrangements as on the date hereof that ought to be disclosed.

14. Documents Available for Inspection

The following documents or certified copies thereof will be available for inspection at the Registered Address for at least fourteen (14) days from the date of publication of this Circular:

- the Memorandum and Articles of Association of the Company;
- the Valuation Report;
- the Independent Accountant's Report on the pro forma financial information;
- letters of consent received from the Valuers and PwC;
- the last Annual Financial Report of the Company.

15. Recommendation

The Directors are of the opinion that the Resolutions as explained in this document are in the best interests of the Company and the Shareholders as a whole and recommend that you vote in favour of the resolutions.

This Circular includes the principal purpose and effect of the Resolutions.

The Spin-Off and Listing are subject to, among others, the final decisions of the Board and approval for Listing being obtained from the Listing Authority. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance that the Spin-Off and Listing will take place or, if they do, when they will take place. Shareholders and potential investors in the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

Appendix A

Notes to the pro forma financial information

1. Basis of preparation

The Directors are proposing the payment of an interim dividend in kind by the Company to its shareholders by way of a distribution of the Company's shares in Malta Properties Company Limited (the Spin-Off). This pro forma financial information has been prepared for illustrative purposes only, to provide information about the effect of the Spin-Off on the financial results and position of GO and MPL.

The pro forma financial information comprises a pro forma income statement for GO for the year ended 31 December 2014, a pro forma statement of financial position for GO as at 31 December 2014 and a pro forma statement of financial position for MPL as at 31 December 2014. The pro forma financial information for GO is prepared on the assumption that the Spin-Off would have taken place on 1 January 2014, whereas the pro forma statement of financial position of MPL assumes that the Spin-Off would have taken place on 31 December 2014 for the purposes of the statement of financial position.

Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results. The pro forma financial information is not intended to, and does not, provide all the information and disclosures necessary to give a true and fair view of the results of the operations and the financial position of the Company in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

The pro forma financial information has been compiled on the basis of the accounting policies adopted by GO Group taking into account the requirements of Building Block 20.2 of Annex I and Annex II of EC Regulation 809/2004.

The following is a description of the pro forma adjustments made to the actual results and financial position of GO and MPL as at 31 December 2014:

GO p.l.c.

1. Being the elimination of MPL's assets and liabilities as at 31 December 2014 from the consolidated financial position of GO as at that date.
2. Being the transfer of St George's Exchange from Mobisle Communications Limited to MPL.
3. Being the pro forma settlement of part of the amounts due by MPL to GO.
4. Being the inclusion of the annual rental charge payable by GO to MPL, net of the related tax impact of this charge.
5. Being the reversal of depreciation charge recognised in the financial year ended 31 December 2014 in relation to the properties owned by MPL.
6. Being the reversal of the fair value loss on properties recognised in the financial year ended 31 December 2014 in relation to properties owned by MPL.
7. Being the reversal of the deferred tax movement recognised in the financial year ended 31 December 2014 in relation to properties owned by MPL.

MPL:

1. Being the transfer of St George's Exchange from Mobisle Communications Limited to MPL.
2. Being the pro forma settlement of part of the amounts due by MPL to GO.
3. Being the capitalisation of the amounts due by MPL to GO p.l.c.
4. Being the reduction in the deferred tax liability recognised on MPL's property portfolio, further to the enactment of the Act XIII of 2015 (An Act to implement Budget measures for the financial year 2015 and other administrative measures) on 30 April 2015.

GO p.l.c. Pro Forma statement of financial position as at 31 December 2014	Statutory statement of financial position	Pro Forma adjustments				Pro Forma statement of financial position
	2014	1	2	3	4 to 7	2014
	€000	€000	€000	€000	€000	€000
ASSETS						
Non-current assets						
Property, plant and equipment	133,640	(49,189)	(2,200)		778	83,029
Investment property	2,199	(2,199)				–
Intangible assets	13,526					13,526
Investments in subsidiaries	–					–
Investment in associate	1,681					1,681
Loans receivable from subsidiaries	–					–
Loans receivable from associate	3,673					3,673
Deferred tax assets	8,497				1,040	9,537
Derivative financial instruments	2,383					2,383
Trade and other receivables	1,387					1,387
Total non-current assets	166,986					115,216
Current assets						
Inventories	7,468					7,468
Trade and other receivables	30,311					30,311
Cash and cash equivalents	12,509	(120)		16,000	(2,971)	25,418
Total current assets	50,288					63,197
Non-current assets classified as held for sale	6,592					6,592
Total assets	**223,866**					**185,005**
EQUITY AND LIABILITIES						
EQUITY						
Share capital	58,998					58,998
Reserves	(1,964)					(1,964)
Revaluation reserve	17,604	(15,668)	(1,936)			–
Retained earnings	35,379	(28,904)	–	16,000	(1,796)	20,679
Total equity	110,017					77,713
LIABILITIES						
Non-current liabilities						
Borrowings	44,573					44,573
Deferred tax liabilities	7,178	(6,716)	(264)		643	841
Provisions for pensions	3,667					3,667
Derivative financial instruments	2,049					2,049
Trade and other payables	1,388					1,388
Total non-current liabilities	58,855					52,518
Current liabilities						
Borrowings	9,425					9,425
Provisions for pensions	2,834					2,834
Derivative financial instruments	91					91
Trade and other payables	42,522	(126)				42,396
Current tax liabilities	122	(94)				28
Total current liabilities	54,994					54,774
Total liabilities	113,849					107,292
Total equity and liabilities	**223,866**					**185,005**

GO p.l.c. Pro Forma income statement for the year ended 31 December 2014	Statutory income statement	Pro Forma adjustments				Pro Forma income statement
	2014	4	5	6	7	**2014**
	€000	€000	€000	€000	€000	€000
Revenue	122,258					122,258
Cost of sales	(71,890)	(2,129)	543			(73,476)
Gross profit	50,368					48,782
Administrative and other related expenses	(29,801)	(842)				(30,643)
Other income	1,337					1,337
Other expenses	(140)					(140)
Operating profit	21,764					19,336
Finance income	390					390
Finance costs	(2,315)					(2,315)
Adjustments arising on fair valuation of property	491			235		726
Profit before tax	20,330					18,137
Tax expense	(5,704)	1,040			(643)	(5,307)
Profit for the year – attributable to owners of the Company	**14,626**					**12,830**

MPL Pro Forma statement of financial position as at 31 December 2014	**Statutory statement of financial position**	**Pro Forma adjustments**				**Pro Forma Statement of financial position**
	2014	1	2	3	4	**2014**
	€000	€000	€000	€000	€000	€000
ASSETS						
Non-current assets						
Investment property	50,610	2,200				52,810
Trade and other receivables	12			(12)		–
Total non-current assets	50,622					52,810
Current assets						
Trade and other receivables	4,447			(4,447)		–
Cash and cash equivalents	120					120
Total current assets	4,567					120
Total assets	**55,189**					**52,930**
EQUITY AND LIABILITIES						
EQUITY						
Share capital	50			31,018		31,068
Retained earnings	(696)				1,208	512
Total equity	(646)					31,580
LIABILITIES						
Non-current liabilities						
Borrowings	49,524		(16,000)	(33,524)		–
Borrowings - third party	–		16,000			16,000
Deferred tax liabilities	6,073	264			(1,208)	5,129
Total non-current liabilities	55,597					21,129
Current liabilities						
Trade and other payables	144	1,936		(1,953)		127
Current tax liabilities	94					94
Total current liabilities	238					221
Total liabilities	55,835					21,350
Total equity and liabilities	**55,189**					**52,930**

Appendix B

ARCHITECTURE PROJECT AP

Condensed Valuation Report

Architecture Project, a duly warranted partnership of Architects and Civil Engineers in terms of Chapter 390 of the Laws of Malta, was engaged to carry out valuations of the fifteen (15) below listed properties (the "Property" or the "Properties") on behalf of MPL Group in connection with the Spin-Off. Architecture Project holds Perit Warrant P/2 and its registered address is 4, Sappers Street, Valletta, Malta.

This is a condensed version of the full valuation reports prepared by Architecture Project for each of the Properties. The full valuation reports are available for inspection at the Registered Office.

The valuations are as at 22 May 2015.Unless otherwise defined in the valuation report, terms defined in the Circular shall have the meanings ascribed thereto when used in the valuation report.

Basis of Valuation

The full valuation reports provide an estimation of the "Market Value" of the Properties, as defined in the European Council Directive 2006/48/EC, that is, ***"the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."*** Such Market Value is considered to be equivalent to the present capital value in existing state and is based on the open market value for existing use and relative planning considerations.

Without prejudice to the foregoing, the values listed hereunder are deemed to be the best price at which the sale of an interest in the respective property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, on the basis of the following assumptions and statements unless otherwise detailed in the respective valuation report:

a. a willing seller;
b. prior to the date of valuation there had been a reasonable period for the proper marketing of the interest, for the negotiation and agreement of the price and the terms of sale, and for the completion of the sale;
c. the state of the market, level of property values and other relevant circumstances were, on the date of exchange of contracts, the same as the date of valuation;
d. the absence of any additional bid by a purchaser with a special interest in the acquisition of the interest;
e. a good title can be shown and the property is not subject to any unusual or onerous restrictions, encumbrances or outgoings;
f. the property is unaffected by any Statutory Notice (as detailed in the full valuation report) and neither the property nor its use, actual or intended, gives rises to a contravention of any Statutory Requirements (as detailed in the full valuation report);
g. the property is free from latent defects and no deleterious materials have been used in its construction;
h. only a visual inspection of the property was carried out to establish the condition of repair and, unless otherwise specifically stated herein, and in that event only to the extent so specified, no parts of the property which were covered, unexposed or otherwise inaccessible to visual inspection have been inspected, and no tests have been made as to whether or not such parts are free of defects, so that the valuation assumes that a structural survey would reveal no major defects involving substantial expenditure.

In addition to the above, all property valuations submitted have already taken into account any known matters that could materially affect the value of the said Properties.

All valuations were carried out following a visual inspection of the Properties and took into account various sources of information and verification, including information provided by MPL (such as land surveys, deeds of title, planning permits in hand), available planning legislation and policy pertaining to the relevant Properties and their surroundings, comparable sales information and available market statistics.

In all cases, the title of ownership was not investigated and such investigation was not within the scope of the valuation. Any references in the reports to title of ownership are as communicated by MPL.

The property values below refer to the immovable assets, as defined in articles 308 through 311 of Chapter 16 of the Laws of Malta, subject to the valuation, with the exclusion of telecommunications equipment and installations within or attached to the property, even if they are so fixed thereto as to render them immovable according to law.

The valuations have been prepared in accordance with the Kamra tal-Periti Valuation Standards for Accredited Valuers (2012), which are largely based on the TEGOVA (The European Group Of Valuers' Associations) Valuation Standards (2009).

Property Valuations as at 22 May 2015

The following is a summary of the valuations of the Properties held by MPL Group:

Property Address: GO Head Office, Triq Fra Diegu, Marsa, Malta
Proprietor: MCB Property Company Limited
Tenure: Partly freehold and partly subject to an annual and perpetual ground rent and sub-ground rent totalling €227.91 per annum
Current Use: Offices
Age: 10 to 15 years
Value: **€12,100,000.00**

Property Address: Marsa Exchange, Spencer Hill, Marsa, Malta
Proprietor: MSH Property Company Limited
Tenure: Freehold
Current Use: Telephone exchange and offices (partly vacant)
Age: Over 60 years
Value: **€6,100,000.00**

Property Address: Zejtun Exchange, Bulebel Industrial Estate, Żejtun, Malta
Proprietor: ZTN Property Company Limited
Tenure: Freehold
Current Use: Telephone exchange, stores and ancillary uses
Age: 40 to 50 years
Value: **€6,100,000.00**

Property Address: B'Kara Exchange, Triq Salvu Psaila c/w Triq Borg c/w Triq il-Fniek, Birkirkara, Malta
Proprietor: BKE Property Company Limited
Tenure: Freehold
Current Use: Retail outlet, offices and telephone exchange
Age: 20 to 25 years
Value: **€6,300,000.00**

Property Address: Commercial premises, Triq il-Fniek, Birkirkara, Malta
Proprietor: BKE Property Company Limited
Tenure: Freehold
Current Use: Offices and technical centre
Age: 20 to 25 years
Value: **€2,200,000.00**

Property Address: Mosta Exchange, Mosta Technopark, Triq Valletta, Mosta, Malta
Proprietor: Malta Properties Company Limited
Tenure: Freehold
Current Use: Telephone exchange and ancillary offices
Age: Over 50 years
Value: **€3,900,000.00**

Property Address: Naxxar Radio Link, Triq San Pawl c/w Triq Għargħur, Naxxar, Malta
Proprietor: Malta Properties Company Limited
Tenure: Freehold
Current Use: Retail, offices and telecommunications link
Age: ca 50 years
Value: **€1,860,000.00**

Property Address: St Francis Complex, St Francis Ravelin, Floriana, Malta
Proprietor: Malta Properties Company Limited
Tenure: Freehold
Current Use: Offices and call centre
Age: ca 100 years
Value: **€3,000,000.00**

Property Address: Rabat Exchange, it-Telgħa tas-Saqqajja, Rabat, Malta
Proprietor: Malta Properties Company Limited
Tenure: Freehold
Current Use: Telephone exchange and ancillary offices
Age: Over 20 years
Value: **€1,100,000.00**

Property Address: New Sliema Exchange (Site A), Sqaq Rodolfu, Sliema, Malta
Proprietor: SLM Property Company Limited
Tenure: Freehold
Current Use: Vacant (recently constructed, currently being finished)
Age: Under construction
Value: **€400,000.00**

Property Address: Old Sliema Exchange (Site B), Triq Parisio c/w Triq Moroni, Sliema, Malta
Proprietor: SLM Property Company Limited
Tenure: Freehold
Current Use: Telephone exchange and ancillary offices (partly vacant)
Age: ca 100 years
Value: **€2,800,000.00**

Property Address:	New St. Paul's Bay Exchange (Site A) previously forming part of the Old St. Paul's Bay Exchange, Triq San Ġorġ, St Paul's Bay, Malta
Proprietor:	SPB Property Company Limited
Tenure:	Freehold
Current Use:	Vacant (under construction)
Age:	Under construction
Value:	**€600,000.00**

Property Address:	Old St. Paul's Bay Exchange (Site B), Triq San Ġorġ, St Paul's Bay, Malta
Proprietor:	SPB Property Company Limited
Tenure:	Freehold
Current Use:	Telephone exchange and ancillary offices
Age:	Over 30 years
Value:	**€3,200,000.00**

Property Address:	GO retail outlet and office at 39, Triq ir-Repubblika, Rabat, Gozo
Proprietor:	Malta Properties Company Limited
Tenure:	Freehold
Current Use:	Retail outlet and offices
Age:	ca 120 years
Value:	**€950,000.00**

Property Address:	St George's Exchange, Triq San Ġorġ, St Julian's, Malta
Proprietor:	Mobisle Communications Limited
Tenure:	Freehold
Current Use:	Telephone exchange, offices and ancillary uses
Age:	ca 35 years
Value:	**€2,200,000.00**

The total cumulative value of the above listed properties amounts to €52,810,000.00 (fifty two million eight hundred and ten thousand Euro).

Perit David Drago
obo Architecture Project

Appendix C

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Independent accountant's assurance report on the compilation of pro forma financial information

To the board of directors of GO p.l.c.

Report on the compilation of pro forma financial information

We have completed our assurance engagement to report on the compilation of pro forma financial information of GO p.l.c. (the "Company" or "GO") and its wholly owned subsidiary Malta Properties Company Limited ("MPL"), as prepared by the directors of GO p.l.c. (the "Directors"). The pro forma financial information consists of the Company's pro forma consolidated statement of financial position as at 31 December 2014, the Company's pro forma consolidated income statement for the period ended 31 December 2014, and MPL's pro forma consolidated statement of financial position as at 31 December 2014, and the related notes, as set out in Appendix A. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are specified in Annex II to Commission Regulation (EC) 809/2004 (the "Regulation") and described in the 'Basis of preparation' included in Appendix A.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the Spin-Off as set out in the notes in Appendix A, on the Company's financial position as at 31 December 2014 and its financial performance for the year then ended, and on MPL's financial position as at 31 December 2014.

The pro forma financial information for GO has been prepared on the assumption that the Spin-Off had taken place on 1 January 2014, whereas for the purpose of MPL's pro forma statement of financial position it has been assumed that the Spin-Off had taken place on 31 December 2014. As part of this process, information about the Company's financial position and performance, and MPL's financial position has been extracted by the Directors from the Company's and MPL's financial statements respectively, for the period ended 31 December 2014, on which an audit report has been published.

Directors' responsibility for the pro forma financial information

The Directors are responsible for compiling the pro forma financial information on the basis of the applicable criteria.

Our responsibilities

Our responsibility is to express an opinion, as required by item 7 of Annex II to the Regulation, about whether the pro forma financial information has been compiled, in all material respects, by the Directors on the basis of the Group's accounting policies as described in the latest annual report and the basis of preparation set out in Appendix A, and accordingly on the basis of the applicable criteria.

Basis of opinion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance engagements to report on the compilation of pro forma financial information included in a prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the accountant complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the applicable criteria.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at and for the period ended 31 December 2014 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the accountant's judgment, having regard to the accountant's understanding of the nature of the Company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion

a. the pro forma financial information has been properly compiled on the basis stated; and
b. such basis is consistent with the accounting policies of the Company.

PricewaterhouseCoopers
78 Mill Street
Qormi
Malta

Simon Flynn
Partner

22 June 2015

Company Registration Number: C22334
GO, Fra Diegu Street, Marsa MRS 1501, Malta
T 8007 2121 F +356 2594 5895 E customercare@go.com.mt

go.com.mt