

Minutes of Annual General Meeting of the Company

Date 29th July 2014

Time 10:00 hrs (Qormi, Malta time)

Place B2, Industry Street, Qormi, Malta

Present Roderick McGeoch – Chairman
Mark Dunstan – Director
Francis J. Vassallo - Director
Ruth Agius Scicluna Buttigieg – Director
Adriana Camilleri Vassallo – Company Secretary

In attendance Chris Balzan – Ernst & Young Malta Limited
Honeylette Cao – Ernst & Young Malta Limited
Maire Gallagher – BGP Investment S.à r.l.
Luisa Bartoli – Francis J. Vassallo & Associates Limited

1. Chairman

Roderick McGeoch chaired the meeting.

2. Confirmation of Notice and Quorum

The Chairman declared the meeting open and confirmed that notice of the meeting had been given to all members in terms of the Articles of Association of the Company. The Chairman was pleased to note that a quorum of over 60% of the members had been attained by proxy.

3. Chairman's speech

3.1 The Chairman addressed the directors and members of the Company. A copy of the speech is documented in Appendix I of the minutes.

There being no questions or comments, the Chairman proceeded to the formal part of the meeting.

4. Purpose of meeting

The Chairman **NOTED** that the purpose of this meeting was as follows:

- a) That the Annual Report and Financial Statements of the Company for the year ended 31st December 2013, comprising the Financial Statements and the Directors' and Auditors' Report thereon, be hereby approved.

- b) That the appointment of Ernst & Young Malta Limited as Auditors, be hereby approved and the Board of Directors be hereby authorised to establish their remuneration.

5. Documents tabled

The following documents were tabled:

5.1 Annual Report and Financial Statements for the year ended 31st December 2013

A copy of the Annual Report and Financial Statements of the Company for the year ended 31st December 2013, comprising the Financial Statements and the Directors' and Auditors' Report thereon were tabled, considered and discussed at the meeting.

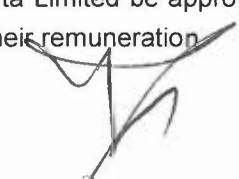
6. Approvals

6.1 Annual Report and Financial Statements for the year ended 31st December 2013

RESOLVED (as an ordinary resolution) that the Annual Report and Financial Statements of the Company for the year ended 31st December 2013, comprising the Financial Statements and the Directors' and Auditors' Report thereon be approved.

6.2 Appointment of Ernst & Young Malta Limited as Auditors

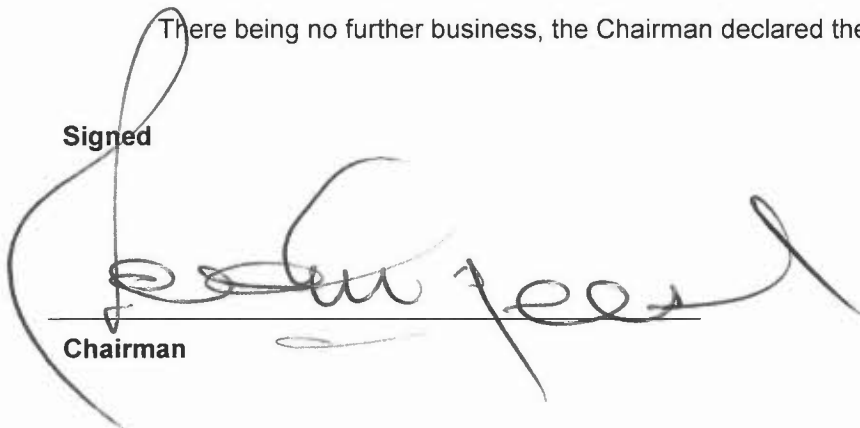
RESOLVED (as an ordinary resolution) that Ernst & Young Malta Limited be approved as Auditors, and the Board of Directors be authorised to establish their remuneration



7. Closure

There being no further business, the Chairman declared the meeting closed.

Signed

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is cursive and appears to be the name of the Chairman.

Chairman

29th July 2014

Dated

A smaller, stylized handwritten signature in black ink, located in the lower right quadrant of the page.

CHAIRMAN'S SPEECH

APPENDIX I

Dear fellow directors and BGP shareholders

I am pleased to report that BGP has continued on its positive trend of the past couple of years, with a consolidated net profit of €76 million and an increase in shareholders' equity and reserves to a healthy €467 million.

This has been achieved by the successful continuation of the strategies outlined at the beginning of our mission. Our asset base has been sharply reduced and focused on the German residential sector, a market which has proven a safe haven in turbulent European markets over recent years. We have continued to dispose of troubled legacy assets, most recently having sold our Dutch light industrial portfolio last month. Negotiations are proceeding satisfactorily to sell our remaining retail assets before year end.

Operational performance has continued on a positive trajectory. Vacancy in the key residential portfolio has fallen from nearly 10% to 7.6% over the last three years while rent levels and arrears management have shown similarly strong improvement. The portfolio has benefited from judicious capital investment as well as tactical sales in areas of sub-critical mass and weaker demographics.

The balance sheet has been strengthened by the 2013 refinancing of a large part of the residential portfolio and we expect to finalise the refinancing of the remainder of this portfolio in the coming weeks. Our debt maturities have been pushed out to between 2018 and 2021 at a cost of debt of just over 3.5%, in line with our peers in the market, despite BGP being unlisted and unrated. BGP's loan-to-value (LTV) ratio has now been reduced to an acceptable 62%.

In order to maximise process efficiencies and in line with best market practice, the BGP group is also addressing its corporate structure. We are reintegrating our asset management company and acquiring property and facility management to create a vertically integrated real estate group. This improves management alignment and communication throughout the organisation and will permit better control over property management performance in the future, as well as significant cost savings.

The resulting structure gives BGP critical mass in its chosen sector, internalised management and vertical integration of fund, asset and property management.

In 2010 the Board promised its shareholders that it would do its utmost to turn the company around and return maximum value to its shareholders as soon as practicable. We believe that the company is now in good health with a promising future. We have engaged a leading investment bank to advise us on the most efficient and practical means to achieve a realisation, be it via a new listing or a trade sale.

We are proud of our achievement. In the aftermath of the global financial crisis the small BGP team has faced a bank credit shortage, real estate market illiquidity and an ongoing European sovereign debt crisis, as well as the well known legacy issues inherited from the ill-fated JV in 2009. To build up half a billion Euros in net asset value over this period has been an outstanding achievement by the team under difficult conditions.

We look forward to turning onto the final straight and fulfilling our mission to our shareholders.

Thank you.

Rod McGeoch, Chairman, BGP Holdings p.l.c.