

SECURITIES NOTE

Dated 18 September 2020

This document is a Securities Note issued in accordance with the provisions of Article 90 of the Companies Act (Cap. 386 of the laws of Malta) and of the Prospectus Regulation. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Issuer.

In respect of an issue of €11,000,000 6% Unsecured Notes 2023 – 2025
of a nominal value of €1,000 per Note issued at par by



MEDITERRANEAN INVESTMENTS HOLDING PLC

a public limited liability company registered in Malta with company registration number C 37513

THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, ONLY APPROVES THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE QUALITY OF THE SECURITIES THAT ARE THE SUBJECT OF THIS SECURITIES NOTE.

THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH REGISTRAR OF COMPANIES, ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISER.

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be 'JF', written over a horizontal line.

Joseph Fenech

A handwritten signature in black ink, appearing to be 'JF', written over a horizontal line.

Joseph Fenech for and on behalf of:
Alfred Pisani, Joseph Pisani, Faisal J.S. Alessa, Mario P Galea,
Ahmed B A A Wahedi and Ahmed Yousri Noureldin Helmi

NOMINEE AND PLACEMENT AGENT



M Z I N V E S T M E N T S E R V I C E S



TABLE OF CONTENTS

IMPORTANT INFORMATION	01
1 DEFINITIONS	04
2 RISK FACTORS	06
2.1 Forward-looking Statements	06
2.2 General	06
2.3 Risks relating to the Global Note and Participation Notes	07
3 PERSONS RESPONSIBLE	08
4 CONSENT FOR USE OF THE PROSPECTUS AND AUTHORISATION STATEMENT	08
4.1 Consent required in Connection with Use of the Prospectus by the Nominee and Placement Agent	08
4.2 Statement of Authorisation	09
5 KEY INFORMATION	09
5.1 Reasons for the Issue and Use of Proceeds	09
5.2 Estimated Expenses	09
5.3 Issue Statistics	09
5.4 Interest of Natural and Legal Persons involved in the Issue	11
5.5 Expected Timetable of Principal Events	11
6 INFORMATION CONCERNING THE GLOBAL NOTE AND PARTICIPATION NOTES	11
6.1 General	11
6.2 Description of the Offer	12
6.3 Subscriptions by Maturing Noteholders by surrendering their Maturing Notes	12
6.4 Placement	13
6.5 Plan of Distribution and Allotment	13
6.6 Status and Ranking of the Global Note	14
6.7 Rights of Participation Noteholders	14
6.8 Participation Notes	14
6.9 The Nominee and Placement Agent	14
6.10 Interest	15
6.11 Yield	15
6.12 Redemption and Purchase	15
7 TAXATION	16
7.1 General	16
7.2 Malta Tax on Interest	16
7.3 Exchange of Information	17
7.4 Maltese Taxation on Capital Gains on Transfer of the Participation Notes	17
7.5 Duty on Documents and Transfers	17
ANNEX A1 – TERMS AND CONDITIONS OF THE GLOBAL NOTE	18
ANNEX A2 – TERMS AND CONDITIONS OF THE PARTICIPATION NOTES	24

IMPORTANT INFORMATION

THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, ONLY APPROVES THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE QUALITY OF THE SECURITIES THAT ARE THE SUBJECT OF THIS SECURITIES NOTE. INVESTORS SHOULD MAKE THEIR OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE SECURITIES.

THIS SECURITIES NOTE CONSTITUTES PART OF THE PROSPECTUS DATED 18 SEPTEMBER 2020 AND CONTAINS INFORMATION ABOUT MEDITERRANEAN INVESTMENTS HOLDING PLC IN ITS CAPACITY AS ISSUER AND THE GLOBAL NOTE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT AND THE PROSPECTUS REGULATION, AND SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT ISSUED BY THE ISSUER.

THIS SECURITIES NOTE SETS OUT THE CONTRACTUAL TERMS UNDER WHICH THE GLOBAL NOTE IS ISSUED BY THE ISSUER IN FAVOUR OF THE NOMINEE AND THE SUBSEQUENT TRANSFER OF PARTICIPATIONS IN THE GLOBAL NOTE THROUGH THE ISSUE OF PARTICIPATION NOTES, WHICH TERMS SHALL REMAIN BINDING UNTIL THE REDEMPTION DATE OF THE GLOBAL NOTE.

THE INFORMATION CONTAINED HEREIN IS BEING MADE AVAILABLE IN CONNECTION WITH AN ISSUE BY THE COMPANY OF €11 MILLION UNSECURED NOTES 2023 - 2025 OF A NOMINAL VALUE OF €1,000 EACH. THE NOTES SHALL BE ISSUED AT PAR AND BEAR INTEREST AT THE RATE OF 6% PER ANNUM PAYABLE ANNUALLY IN ARREARS ON 3 OCTOBER OF EACH YEAR, WITH THE FIRST INTEREST PAYMENT FALLING DUE ON 3 OCTOBER 2021. THE NOMINAL VALUE OF THE NOTES WILL BE REPAYABLE IN FULL AT MATURITY ON 3 OCTOBER 2025, BUT MAY BE REDEEMED EARLIER BY THE COMPANY ON 3 OCTOBER 2023 AND, OR 3 OCTOBER 2024 IN WHOLE OR IN PART AT NOMINAL VALUE BY GIVING NOT LESS THAN 30 DAYS' PRIOR NOTICE TO THE NOMINEE AND PLACEMENT AGENT.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SECURITIES OF THE ISSUER, OTHER THAN THOSE CONTAINED IN THIS SECURITIES NOTE AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS OR ADVISERS.

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION: (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THE PROSPECTUS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND, ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY NOTES MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER OR THE GUARANTOR SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS IS ACCURATE AT ANY TIME SUBSEQUENT TO THE DATE ON WHICH IT IS SUPPLIED OR, IF DIFFERENT, THE DATE INDICATED IN THE DOCUMENT CONTAINING THE SAME.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE



AWARE OF THE POTENTIAL RISKS OF INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT PROFESSIONAL ADVISERS AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE NOTES AND THE PROSPECTUS.

THE NOTES SHALL NOT BE ADMITTED TO LISTING ON ANY REGULATED MARKET.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THE PROSPECTUS AND ANY PERSONS WISHING TO APPLY FOR ANY SECURITIES ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF SO APPLYING FOR ANY SUCH SECURITIES AND OF ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE PUBLIC OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THIS SECURITIES NOTE OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) THE NOTES CAN ONLY BE OFFERED TO “QUALIFIED INVESTORS” (AS DEFINED IN THE PROSPECTUS REGULATION), AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS REGULATION.

THE NOTES HAVE NOT BEEN, NOR WILL THEY BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933 AS AMENDED, OR UNDER ANY FEDERAL OR STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, OR ANY AREA SUBJECT TO ITS JURISDICTION (THE “U.S.”) OR TO OR FOR THE BENEFIT OF, DIRECTLY OR INDIRECTLY, ANY U.S. PERSON (AS DEFINED IN REGULATION “S” OF THE SAID ACT). FURTHERMORE, THE ISSUER WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT, 1940 AS AMENDED AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS SET OUT THEREIN.

A COPY OF THE PROSPECTUS HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE COMPANIES ACT.

IN TERMS OF ARTICLE 12(1) OF THE PROSPECTUS REGULATION, THE PROSPECTUS SHALL REMAIN VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE OF THE APPROVAL OF THE PROSPECTUS BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES. THE ISSUER IS OBLIGED TO PUBLISH A SUPPLEMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKE OR MATERIAL INACCURACY RELATING TO THE INFORMATION SET OUT IN THE PROSPECTUS WHICH MAY AFFECT THE ASSESSMENT OF THE SECURITIES AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE PROSPECTUS IS APPROVED AND THE CLOSING OF THE ISSUE PERIOD. THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE PROSPECTUS IS NO LONGER VALID.

STATEMENTS MADE IN THIS SECURITIES NOTE ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

A SUBSCRIPTION AGREEMENT IS PROVIDED WITH THIS DOCUMENT. THE GLOBAL NOTE AND THE PARTICIPATION NOTES ARE ISSUED AS SUBJECT TO THE TERMS AND CONDITIONS AS SET OUT IN THIS SECURITIES NOTE, AND THE RELEVANT SCHEDULES OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT. INVESTORS PARTICIPATING IN THE GLOBAL NOTE THROUGH SUBSCRIPTION FOR PARTICIPATION NOTES ARE ENTITLED TO THE BENEFIT OF, ARE BOUND BY, AND ARE DEEMED TO

HAVE NOTICE OF, ALL THE PROVISIONS OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT APPLICABLE TO THEM.

THE PARTICIPATION NOTES REPRESENT PARTICIPATION IN THE GLOBAL NOTE. THE PARTICIPATION NOTES ARE TRANSFERABLE NOTES WHICH MAY BE REDEEMED BY THE ISSUER OR THE NOMINEE AND PLACEMENT AGENT IN ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED THEREIN.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITE AS THE BASIS FOR A DECISION TO INVEST IN THE NOTES.

THE ISSUER DISCLAIMS ANY AND ALL RESPONSIBILITY FOR ANY DEALINGS MADE, REPRESENTATIONS GIVEN, PROCESSES ADOPTED, FUNDS COLLECTED OR APPLICATIONS ISSUED BY NOMINEE AND PLACEMENT AGENT IN ITS EFFORT TO PLACE OR RE-SELL THE NOTES SUBSCRIBED BY IT.

ALL THE ADVISERS TO THE ISSUER NAMED IN SUB-SECTION 4.3 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. THE NOMINAL VALUE OF THE NOTES WILL BE REPAYABLE IN FULL UPON MATURITY. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE NOTES.



1. DEFINITIONS

Words and expressions and capitalised terms used in this Securities Note, shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words, expressions and capitalised terms as indicated in the Registration Document forming part of the Prospectus. In this Securities Note the following words and expressions shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

“Applicant/s”	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of a Subscription Agreement;
“Business Day”	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
“CET”	Central European Time;
“Cut-off Date”	close of business on 18 September 2020;
“Early Redemption Dates”	any Interest Payment Date falling in the years 2023 and 2024, at the sole option of the Issuer, on which the Issuer shall be entitled to prepay all or part of the principal amount of the Global Note and all interests accrued up to the date of prepayment, by giving not less than 30 days’ notice to the Nominee and Placement Agent and “Early Redemption” shall be construed accordingly;
“Fiduciary Asset”	the rights attaching to and emanating from the Global Note and the Nominee and Placement Agent Agreement including the right of payment of principal and interest under the Global Note;
“Interest Payment Date”	3 October of each year between and including each of the years 2021 and the year 2025, provided that if any such day is not a Business Day such Interest Payment Date will be carried over to the next following day that is a Business Day;
“Issue”	the issue of the Global Note;
“Issue Date”	expected on 5 October 2020;
“Issue Period”	the period between 08:30 hours CET on 28 September 2020 and 14:00 hours CET on 1 October 2020 during which the Notes are available for subscription;
“Issue Price”	the price of €1,000 per Participation Note;
“Maturing Note Transfer”	the subscription for Participation Notes by a Maturing Noteholder settled, after submitting the Subscription Agreement, by the transfer to the Issuer of all or part of the Maturing Notes held by such Maturing Noteholder as at the Cut-off Date;
“Maturing Noteholder”	a holder of Maturing Notes as at the Cut-off Date;
“MiFIR”	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
“Nominee and Placement Agent Agreement”	the agreement entered into by and between the Issuer and the Nominee and Placement Agent dated 18 September 2020;
“Redemption Date”	3 October 2025;
“Redemption Value”	the nominal value of each Note (€1,000 per Note);
“Register of Global Noteholders”	the register maintained by the Issuer identifying the holder of the Global Note;

“Registered Investor”	a person participating in the Global Note and whose interest and benefit therein is recognised by the Nominee and Placement Agent by means of an entry in the Register of Investors;
“Subscription Agreement”	the agreement to subscribe for the Participation Notes;
“Subscription Date”	means the date on which Participation Notes representing the Global Note are subscribed for and issued in accordance with the Prospectus;
“Subscription Funds”	means an amount equivalent to the Global Note raised by the Nominee and Placement Agent by virtue of the subscription of Participation Notes;
“Subscription Period”	means the period between 08.30 hours CET on 28 September 2020 and 14.00 hours CET on 1 October 2020, during which the Participation Notes representing the Global Note are to be issued, PROVIDED THAT the Subscription Period may be extended by the Nominee and Placement Agent by giving written notice thereof to the Issuer by not later than seven (7) days from 18 September 2020; and
“Terms and Conditions”	the terms and conditions applicable to the Participation Notes set out in Annex A2.

All references in the Prospectus to “Malta” are to the “Republic of Malta”.

Unless it appears otherwise from the context:

- (a) words importing the singular shall include the plural and *vice-versa*;
- (b) words importing the masculine gender shall include the feminine gender and *vice-versa*;
- (c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
- (d) any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- (e) any reference to a person includes that person’s legal personal representatives, successors and assigns;
- (f) any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression is illustrative only and does not limit the sense of the words preceding those terms;
- (g) any reference to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of publication of this Securities Note.



2. RISK FACTORS

THE VALUE OF INVESTMENTS, INCLUDING THE NOTES, CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.

THE NOMINAL VALUE OF THE NOTES IS REPAYABLE IN FULL UPON MATURITY, UNLESS THE NOTES ARE PREVIOUSLY RE-PURCHASED AND CANCELLED. THE ISSUER SHALL REDEEM THE NOTES ON THE REDEMPTION DATE.

AN INVESTMENT IN THE NOTES INVOLVES CERTAIN RISKS, INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE DECIDING TO MAKE AN INVESTMENT IN THE NOTES. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS INTENDED TO BE INDICATIVE OF THE ORDER OF PRIORITY AND OF THE EXTENT OF THEIR CONSEQUENCES, AND PROSPECTIVE INVESTORS ARE HEREBY CAUTIONED THAT THE OCCURRENCE OF ANY ONE OR MORE OF THE RISKS SET OUT BELOW COULD HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION AND COULD, THEREBY, NEGATIVELY AFFECT THE ABILITY OF THE ISSUER TO MEET ITS OBLIGATIONS IN CONNECTION WITH THE PAYMENT OF INTEREST ON THE NOTES AND REPAYMENT OF PRINCIPAL WHEN DUE.

NEITHER THIS SECURITIES NOTE, NOR ANY OTHER PARTS OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE NOMINEE AND PLACEMENT AGENT THAT ANY RECIPIENT OF THIS SECURITIES NOTE OR ANY OTHER PART OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS OR ANY NOTES, SHOULD PURCHASE ANY PARTICIPATION NOTES ISSUED BY THE ISSUER.

ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

2.1 Forward-looking Statements

This Securities Note contains “forward-looking statements” which include, among others, statements concerning matters that are not historical facts and which may involve projections of future circumstances. These statements by their nature involve a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer's control, and important factors that could cause actual risks to differ materially from the expectations of the Issuer's directors. Such forecasts and projections do not bind the Issuer with respect to future results and no assurance can be given that future results or expectations covered by such forward-looking statements will be achieved.

2.2 General

An investment in the Issuer and the Global Note may not be suitable for all recipients of the Prospectus and prospective investors are urged to consult an independent investment adviser licensed under the Investment Services Act (Chapter 370 of the laws of Malta) as to the suitability or otherwise of an investment in the Global Note before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Global Note, the merits and risks of investing in the Global Note and the information contained or incorporated by reference to the Prospectus or any applicable supplement;
- (ii) has sufficient financial resources and liquidity to bear all the risks of an investment in the Global Note, including where the currency for principal or interest payments is different from the prospective investor's currency;
- (iii) understands thoroughly the terms of the Global Note and Participation Note;

- (iv) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect his/her/its investment and his/her/its ability to bear the applicable risks; and
- (v) is able to assess as to whether an investment in the Global Note shall achieve his/her/its investment objective.

2.3 Risks relating to the Global Note and Participation Notes

An investment in the Global Note and Participation Notes involves certain risks including, but not limited to, those described below:

- The Global Note and the Participation Notes are transferable but shall NOT be traded on any regulated market or other trading facility and, as a result, there may be no liquid market for the Participation Notes. The market for the Participation Notes may be less liquid than a regulated market or other trading facility and Participation Noteholders may find it more difficult to identify willing buyers for their Participation Notes. Participation Noteholders who wish to sell their Participation Notes may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market for the Participation Notes. The ease of transferability of the Global Note and the Participation Notes depends on factors beyond the Issuer's control which could impact the trading value of the Global Note and the Participation Notes, such as the willingness or otherwise of potential buyers and sellers of the Global Note and the Participation Notes. The trading value of the Global Note and the Participation Notes may also be impacted by other factors, such as the time remaining for maturity of the Global Note and the Participation Notes, the outstanding amount of the Global Note and the Participation Notes and the level, direction and volatility of market interest rates generally.
- Investment in the Participation Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Participation Notes. Investors should also be aware that the price of fixed rate debt securities should theoretically move adversely to changes in interest rates. When prevailing market interest rates are rising their prices decline and, conversely, if market interest rates are declining, the prices of fixed rate debt securities rise. This is called market risk since it arises only if a Noteholder decides to sell the Participation Notes before maturity.
- A Noteholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Participation Notes (€) and the Noteholder's currency of reference, if different. Any adverse fluctuations may impair the return of investment of the Noteholder in real terms after taking into account the relevant exchange rate.
- The Global Note and Participation Notes, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer. The Participation Notes shall at all times rank *pari passu* without any priority or preference among themselves and, save for such exceptions as may be provided by applicable law, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer, if any. Furthermore, subject to the negative pledge clause set out in sub-section 4 of Annex A1 of this Securities Note, third party security interests may be registered which will rank in priority to the Global Note against the assets of the Issuer for so long as such security interests remain in effect, which registration may further impede the ability of the Noteholders to recover their investment upon enforcement of such security interests, whether in full or in part.
- The Global Note and Participation Notes are redeemable in whole or in part at the option of the Issuer prior to the Redemption Date on any Early Redemption Date upon giving 30 days' notice to the Nominee and Placement Agent. Noteholders will have no right to request the redemption of the Participation Notes and should not invest in the Participation Notes in the expectation that the Issuer would exercise its option to redeem the Participation Notes.
- In the event that the Issuer wishes to amend any of the Terms and Conditions of the Global Note it shall call upon the Nominee and Placement Agent to call a meeting of Participation Noteholders in accordance with the provisions of section 12 of Annex A2 of this Securities Note. These provisions permit defined majorities to bind all Participation Noteholders, including Participation Noteholders who do not attend and vote at the relevant meeting and Participation Noteholders who vote in a manner contrary to the majority.
- The Global Note and the Terms and Conditions are based on the requirements of the Companies Act and the Prospectus Regulation in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus.



3. PERSONS RESPONSIBLE

This Securities Note has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. It includes information given in compliance with the Companies Act for the purpose of providing prospective investors with information with regard to the Issuer, and the Global Note. All of the Directors of the Issuer whose names appear in sub-section 4.1 of the Registration Document accept responsibility for all the information contained in the Prospectus.

To the best of the knowledge and belief of the Directors of the Issuer, who have taken all reasonable care to ensure that such is the case, the information contained in this Securities Note is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Issuer hereby accept responsibility accordingly.

4. CONSENT FOR USE OF THE PROSPECTUS AND AUTHORISATION STATEMENT

4.1 Consent required in Connection with Use of the Prospectus by the Nominee and Placement Agent:

The Issuer has given its express written consent to the Nominee and Placement Agent for the use of the Prospectus by the same Nominee and Placement Agent for the purpose of final placement (*vide* section 5.5 below) and/or subsequent resale of the Participation Notes taking place within the period of 60 days from the date of the Prospectus. The Issuer accepts full responsibility for the content of the Prospectus also with respect to any subsequent resale or final placement of the Participation Notes by the Nominee and Placement Agent.

The Nominee and Placement Agent will only be permitted to use the Prospectus in the Republic of Malta.

There are no other conditions attached to the consent given by the Issuer to the Nominee and Placement Agent which are relevant for the use of the Prospectus.

The Nominee and Placement Agent is the only financial intermediary that is permitted to use the Prospectus for the purpose of final placement of the Participation Notes. Should there be any new information with respect to the Nominee and Placement Agent, such information shall be made available on its website.

All information on the Terms and Conditions of the Participation Notes which are offered to any investor by the Nominee and Placement Agent is to be provided by the Nominee and Placement Agent to the investor prior to such investor subscribing to any Participation Notes. Any interested investor has the right to request that the Nominee and Placement Agent provide the investor with all and any information on the Prospectus, including the Terms and Conditions of the Participation Notes.

The Nominee and Placement Agent using the Prospectus in connection with a resale or placement of Participation Notes subsequent to the Offer shall, limitedly for the period of 60 days from the date of the Prospectus, publish on its website a notice to the effect that it is using the Prospectus for such resale and placement in accordance with the consent of the Issuer and the conditions attached thereto. The consent provided herein shall no longer apply following the lapse of such period.

Other than as set out above, neither the Issuer, nor the Nominee and Placement Agent, has authorised (nor do they authorise or consent to the use of the Prospectus in connection with) the making of any public offer of the Participation Notes by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Issuer or the Nominee and Placement Agent and neither the Issuer nor the Nominee and Placement Agent has any responsibility or liability for the actions of any person making such offers.

If the investor is in doubt as to whether he/she can rely on the Prospectus and/or who is responsible for its contents, the investor should obtain legal advice in that regard.

No person has been authorised to give any information or to make any representation not contained in or inconsistent with the Prospectus. If given or made, such information and/or representation must not be relied upon as having been authorised by the Issuer or the Nominee and Placement Agent. The Issuer does not accept responsibility for any information not contained in the Prospectus.

Any resale, placement or offering of Participation Notes to an investor by the Nominee and Placement Agent will be made in accordance with any terms and other arrangements in place between such Nominee and Placement Agent and such investor, including as to price, allocations and settlement arrangements. Where such information is not contained in

the Prospectus, it will be the responsibility of the Nominee and Placement Agent at the time of such resale, placement or offering to provide the investor with that information, and the Issuer has no responsibility or liability for such information.

4.2 Statement of Authorisation

This Securities Note has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. It has been approved by the Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies, as the competent authority under the Prospectus Regulation. The Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies, only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the securities.

5. KEY INFORMATION

5.1 Reasons for the Issue and Use of Proceeds

The proceeds from the Issue are expected to amount to €11,000,000, and will be used by the Issuer for the redemption of the outstanding amount of the Maturing Notes remaining in issue as at 3 October 2020, being the date of redemption of the Maturing Notes. As at the date of the Prospectus the aggregate value of Maturing Notes in issue stands at €11,000,000.

In the event that the Issue is not fully subscribed, the Issuer will proceed with issuing the amount of Notes so subscribed and the proceeds from the Issue shall be applied for the purpose set out above. The residual amount required by the Issuer for the purpose of the use specified in this sub-section 5.1 which shall not have been raised through the Issue shall be financed from the Issuer's own funds.

5.2 Estimated Expenses

The Issue will involve expenses, including professional fees, management and placing expenses, as well as other miscellaneous costs incurred in connection with the Issue. Such expenses, which shall be borne by the Issuer, are estimated not to exceed €50,000. The amount of the expenses will not be deducted from the proceeds of the Issue, but will be settled separately by the Issuer. There is no particular order of priority with respect to such expenses.

5.3 Issue Statistics

Amount:	€11,000,000;
Subscription Agreements available to Maturing Noteholders:	28 September 2020;
Issue Price:	at par (€1,000 per Participation Note);
Closing date for Subscription Agreements to be received from Maturing Noteholders:	30 September 2020 at 14:00 hours CET;
Denomination:	Euro (€);
Events of Default:	the events listed in sub-section 10 of Annex A1 of this Securities Note;
Form:	the Global Note will be issued in fully certificated and registered form, without a coupon;
Governing law and jurisdiction:	the Prospectus and the Global Note are governed by and shall be construed in accordance with Maltese law. The Maltese Courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Prospectus and/or the Global Note;



Interest:	the Notes shall bear interest from and including 3 October 2020 at the rate of six per cent (6%) per annum payable annually in arrears on the Interest Payment Dates;
Interest Payment Date:	annually on the 3 October of each year between and including each of the years 2021 and 2025, provided that any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day;
Issue:	the issue of a maximum of €11,000,000 unsecured Notes due in 2025 denominated in Euro having a nominal value of €1,000 each, which will be issued by the Issuer at par and shall bear interest at the rate of 6% per annum, redeemable on 3 October 2025, subject to the Issuer's option to redeem all or part of the Global Note on an Early Redemption Date;
Issue Period:	the period between 08:30 hours CET on 28 September 2020 and 14:00 hours CET on 1 October 2020 during which the Participation Notes are available for subscription;
Listing:	no application has been made, nor is it intended that an application be made, for the Global Note and Participation Notes to be admitted on a regulated market or other trading platform;
Minimum amount per Application:	fifty thousand Euro (€50,000) and multiples of one thousand Euro (€1,000) thereafter per Participation Noteholder;
Plan of distribution:	the Participation Notes are open for subscription by Maturing Noteholders and through the Nominee and Placement Agent in respect of any balance of the Participation Notes not subscribed to by Maturing Noteholders;
Preferred allocations:	<p>(i) Maturing Noteholders applying for Participation Notes may elect to settle all or part of the amount due on the Participation Notes applied for by the transfer to the Issuer of Maturing Notes at par value, subject to a minimum subscription of €50,000 in Participation Notes.</p> <p>Maturing Noteholders electing to subscribe for Participation Notes through the transfer to the Issuer of all or part of the Maturing Notes held by them as at the Cut-off Date ("Maturing Note Transfer") shall be allocated Participation Notes for the corresponding nominal value of Maturing Notes transferred to the Issuer. The transfer of Maturing Notes to the Issuer in consideration for the subscription for Participation Notes shall cause the obligations of the Issuer with respect to such Maturing Notes to be extinguished, and shall give rise to obligations on the part of the Issuer under the Participation Notes.</p> <p>Participation Notes applied for by Maturing Noteholders by way of Maturing Note Transfer as described above shall be allocated prior to any other allocation of Participation Notes.</p> <p>(ii) the balance of the Participation Notes not subscribed for by Maturing Noteholders limitedly by means of a Maturing Note Transfer, if any, shall be placed by the Nominee and Placement Agent;</p>
Early Redemption Dates:	any Interest Payment Date falling in the years 2023 and 2024, at the sole option of the Issuer, on which the Issuer shall be entitled to prepay all or part of the principal amount of the Global Note and all interests accrued up to the date of prepayment, by giving not less than 30 days' notice to the Nominee and Placement Agent;
Redemption Date:	3 October 2025;
Redemption Value:	at par (€1,000 per Note);

Status of the Global Note: the Global Note, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer. The Global Note shall at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured debt of the Issuer, present and future, save for such exceptions as may be provided by applicable law;

Underwriting: the Global Note and Participation Notes are not underwritten.

5.4 Interest of Natural and Legal Persons involved in the Issue

Save for the possible subscription for Notes by the Nominee and Placement Agent and any fees payable to the Nominee and Placement Agent in connection with the Issue, so far as the Issuer is aware no person involved in the Issue has an interest material to the Issue.

5.5 Expected Timetable of Principal Events

1	Subscription Agreements available to Maturing Noteholders	28 September 2020
2	Closing date for Subscription Agreements to be received from Maturing Noteholders	30 September 2020 (by 14:00 CET)
3	Closing date for the placement by the Nominee and Placement Agent of any Participation Notes not subscribed for by Maturing Noteholders	1 October 2020 (by 14:00 CET)
4	Commencement of interest	3 October 2020
5	Announcement of basis of acceptance through a company announcement	5 October 2020
5	Refunds of unallocated monies, if any	5 October 2020
7	Issuance of Participation Notes certificates	5 October 2020
8	Issue date of the Global Note	5 October 2020

6. INFORMATION CONCERNING THE GLOBAL NOTE AND PARTICIPATION NOTES

Each Note shall be issued on the terms and conditions set out in this Securities Note and, by subscribing to or otherwise acquiring the Participation Notes, the Noteholders are deemed to have knowledge of all the terms and conditions of the Notes hereafter described and to accept and be bound by the said terms and conditions.

6.1 General

The Issuer is making an offer to the public for participation in the Global Note through the issuance of Participation Notes.

The Global Note represents a principal amount of €11,000,000 (eleven million euro) due by the Issuer to the Nominee and Placement Agent under the terms of the Global Note. The Global Note is redeemable on the Redemption Date, subject to the Issuer's option to redeem all or part of the Global Note on an Early Redemption Date.

The currency of the Global Note is Euro (€).

The Global Note constitutes the general, direct, unconditional and unsecured obligations of the Issuer, and will rank without priority and preference over all other present and future unsecured and unsubordinated obligations of the Issuer.

The Participation Notes represent participations in the Global Note corresponding to the amount stated in the Participation Notes. A Participation Note represents the proportionate entitlement of a Participation Noteholder to the rights over the Global Note and in particular shall entitle the Participation Noteholder to receive the repayment of principal and interest



on the Global Note. By executing the Subscription Agreement the Participation Noteholder acknowledges and accepts that all enforcement action against the Issuer shall vest in the Nominee and Placement Agent and the Participation Noteholder shall not have the right to make any claim against the Issuer other than through the Nominee and Placement Agent. By subscribing to the Participation Notes, the Participation Noteholders irrevocably authorise the Nominee and Placement Agent for and on their behalf to exercise such rights, powers and discretions as are specifically delegated to it by the terms of the Nominee and Placement Agent Agreement, together with all such rights, powers and discretions as are incidental thereto, and to give a good discharge for any moneys payable under the Global Note.

6.2 Description of the Offer

The Offer by the Issuer consists of the issue of €11,000,000 (eleven million euro) 6% (six per cent) Global Note 2023 - 2025, to be issued to the Nominee and Placement Agent pursuant to and under the terms and conditions of the Global Note. Investors in Malta can participate in the Global Note by virtue of the subscription to Participation Notes.

The Participation Notes relating to the Global Note shall be available for subscription during the Subscription Period. Such subscription shall be for an amount of €11,000,000 and the Issuer shall make use of such proceeds in the manner set out in sub-section 5.1 above.

The Subscription Period shall close immediately upon attaining full subscription. The Issuer has not established an aggregate minimum subscription level for the Global Note. Accordingly, in the event that the Participation Notes representing the rights and interests of the Participation Noteholders in the Global Note are not fully subscribed, the subscribed portion of the Global Note shall be allocated in accordance with the terms of this Prospectus.

The Global Note and Participation Notes will NOT be listed on the Malta Stock Exchange or on any other regulated market on the Issue Date. The Directors have no intention of submitting an application for the admissibility of the Global Note and Participation Notes to listing and subsequent trading on any regulated market.

In the event that Applicants applying for Participation Notes have not been allocated any Participation Notes or have been allocated a number of Participation Notes which is less than the number applied for, the respective Applicant shall receive a full refund or, as the case may be, the balance of the price of the Participation Notes applied for but not allocated, without interest by direct credit into the Applicant's bank account as indicated by the Applicant in the Subscription Agreement by not later than 5 October 2020. Neither the Issuer nor the Nominee and Placement Agent will be responsible for any charges, loss or delays in transmission of the refunds. In this regard, any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act, 1994 (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.

There are no special rights attached to the Participation Notes other than the right of the Noteholders to payment of interest and capital (as detailed in sub-section 6.7 below).

The minimum subscription amount of Participation Notes that can be subscribed for by Applicants is €50,000, and in multiples of €1,000 thereafter.

Any balance of the Participation Notes not subscribed to by Maturing Noteholders shall be placed by the Nominee and Placement Agent.

The issue of the Global Note is made in accordance with the requirements of the Act and the Prospectus Regulation.

The Global Note and Participation Notes are not underwritten. In the event that the Global Note and Participation Notes are not fully subscribed the Issuer will proceed with the issue of the amount of Notes subscribed for.

All Subscription Agreements shall be subject to the terms and conditions of the Participation Notes as set out in Annex A2 below, the terms of which shall form an integral part hereof.

6.3 Subscriptions by Maturing Noteholders by surrendering their Maturing Notes

6.3.1 The consideration payable by Maturing Noteholders applying for Participation Notes may be settled by the transfer to the Issuer of all or part of the Maturing Notes held by such Applicant as at the Cut-off Date, subject to a minimum subscription of €50,000, which transfer shall be effected at the par value of the Maturing Notes.

Maturing Noteholders electing to subscribe for Participation Notes through Maturing Note Transfer shall be allocated Participation Notes for the corresponding nominal value of Maturing Notes transferred to the Issuer. The transfer of Maturing Notes to the Issuer in consideration for the subscription for Participation Notes shall cause the obligations of the Issuer with respect to such Maturing Notes to be extinguished, and shall give rise to obligations on the part of the Issuer under the Participation Notes.

Participation Notes applied for by Maturing Noteholders by way of Maturing Note Transfer shall be allocated prior to any other allocation of Participation Notes.

A Maturing Note Transfer shall be without prejudice to the rights of Maturing Noteholders to receive interest on the Maturing Note up to but excluding 3 October 2020. The Maturing Notes shall be redeemed on 3 October 2020.

All Applications for the subscription of Participation Notes by Maturing Noteholders by means of Maturing Note Transfer must be submitted to the Nominee and Placement Agent by 14:00 hours CET of 30 September 2020.

6.3.2 Maturing Noteholders subscribing for Participation Notes by means of Maturing Note Transfer are, in virtue of such subscription, confirming:

- i. that all or part (as the case may be) of the Maturing Notes held by the Applicant on the Cut-off Date are being transferred to the Issuer;
- ii. that the Subscription Agreement constitutes the Applicant's irrevocable mandate to the Issuer to:
 - a. cause the transfer of the said Maturing Notes in the Issuer's name in consideration of the issue of Participation Notes; and
 - b. engage, at the Issuer's cost, the services of the Nominee and Placement Agent to fully and effectively vest title in the said Maturing Notes in the Issuer and fully and effectively vest title in the appropriate number of Participation Notes in the Applicant;

6.3.3 Where the Applicant is the holder of Maturing Notes which as at the Cut-off Date are held subject to usufruct, the signatures of both the bare owner and the usufructuary will be required in the Subscription Agreement.

6.3.4 Holders of Maturing Notes as at the Cut-off Date who do not elect to avail themselves of the possibility to exchange their investment in terms of the procedure outlined in this sub-section 6.3 shall receive all capital and accrued interest (up to but excluding 3 October 2020) to date on 3 October 2020.

6.4 Placement

Any balance of the Participation Notes not subscribed to by Maturing Noteholders shall be placed by the Nominee and Placement Agent. Any subscriptions received during the placement shall be subject to the same terms and conditions as those applicable to subscriptions by Maturing Noteholders, but limited to any remaining balance of Participation Notes after fully allocating the Participation Notes subscribed to by Maturing Noteholders.

6.5 Plan of Distribution and Allotment

Applications for subscription to the Participation Notes may be made through the Nominee and Placement Agent. The Participation Notes are open for subscription by:

- i. Maturing Noteholders up to the amount of Maturing Notes held as at the Cut-off Date;
- ii. The Nominee and Placement Agent in respect of any balance of the Participation Notes not subscribed to by Maturing Noteholders, as aforesaid.

Applications for subscriptions to the Participation Notes may be made through the Nominee and Placement Agent subject to a minimum Application of €50,000 and in multiples of €1,000 thereafter.

It is expected that Participation Notes certificates will be dispatched to Applicants by latest 5 October 2020. The said certificate and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance or surrender of the Maturing Notes, as the case may be, and any verification of identity as required by the Prevention of Money Laundering Act, 1994 (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.



By not later than 5 October 2020, the Issuer shall announce the results of the Offer through a company announcement.

Dealings in the Participation Notes shall not commence prior to prior to the said notification.

6.6 Status and Ranking of the Global Note

The Global Note, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer, and shall at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured debt of the Issuer, present and future, if any, save for such exceptions as may be provided by applicable law. Furthermore, subject to the negative pledge clause (sub-section 4 of Annex A1 of this Securities Note), third party security interests may be registered which will rank in priority to the Global Note against the assets of the Issuer for so long as such security interests remain in effect. As at the date of this Securities Note, the Issuer does not have any subordinated indebtedness.

6.7 Rights of Participation Noteholders

Investors wishing to participate in the Global Note will be able to do so by duly executing a Subscription Agreement in relation to the Participation Notes. Execution of the Subscription Agreement will entitle such investor:

- i. to participate in the Global Note with respect to the rights and benefits under the Global Note in the proportion that the amount of that subscription constitutes in relation to the face value of the Global Note;
- ii. to have his/her name entered in the Register of Investors by the Nominee and Placement Agent as a Registered Investor in the Global Note;
- iii. to receive from the Nominee and Placement Agent an acknowledgement of his/her interest in the Global Note by the issue of a Participation Note;
- iv. to all such rights and benefits applicable to Participation Noteholders as set out in the Prospectus;
- v. to all such applicable rights and benefits applicable to Participation Noteholders as set out in the Nominee and Placement Agent Agreement.

Upon execution of the Subscription Agreement, an investor will also be bound by and be deemed to have notice of, all the provisions of the Nominee and Placement Agent Agreement and the terms and conditions of the Global Note.

The Participation Note shall entitle the Participation Noteholders to rank *pari passu* according to the rights and interests held by each Participation Noteholder in the Fiduciary Asset in accordance with the terms of the Nominee and Placement Agent Agreement.

6.8 Participation Notes

Participation Notes are transferable certificates issued by the Nominee and Placement Agent to a Registered Investor acknowledging the interest of the Registered Investor named therein in the Fiduciary Asset and evidences an entry in the Register of Investors held by the Nominee and Placement Agent. The Participation Notes will be issued in registered form and will not be issued in bearer form.

6.9 The Nominee and Placement Agent

The Issuer, as principal, has entered into the Nominee and Placement Agent Agreement pursuant to which MZ Investment Services Ltd has been appointed as the Nominee and Placement Agent to hold the Fiduciary Asset on behalf of and as nominee for the Registered Investors *pari passu* according to the rights and interests held by each Registered Investor in the Fiduciary Asset as evidenced in the Register of Investors in accordance with the provisions of the Nominee and Placement Agent Agreement.

The Nominee and Placement Agent will be the legal owner of the Fiduciary Asset which consists of the covenants of the Issuer to pay the principal under the Participation Notes and interests thereon and all the rights and benefits emanating from the Nominee and Placement Agent Agreement. The Nominee and Placement Agent recognises the interests of the

Registered Investors and in effect holds the Fiduciary Asset in the interest of and acts for the benefit of the Registered Investors under the Nominee and Placement Agent Agreement.

The Nominee and Placement Agent's role therefore includes the status of the Nominee and Placement Agent to enforce all the rights under the Participation Notes and the Nominee and Placement Agent Agreement as well as to hold the Fiduciary Asset. As the legal owner of the Global Note and all rights attaching thereto the Nominee and Placement Agent will receive all payments of interest for distribution to the Registered Investors.

Similarly, the Issuer has appointed MZ Investment Services Ltd as the Nominee and Placement Agent to hold the Global Note for the benefit of the Registered Investors *pari passu* according to the rights and interests held by each Registered Investor in the Global Note as evidenced in the Register of Investors in accordance with the provisions of the Prospectus. As the holder of the Global Note, the Nominee and Placement Agent will receive all payments of interest and principal for distribution to the Registered Investors.

6.10 Interest

6.10.1 The Global Note shall bear interest from and including 3 October 2020 at the rate of 6% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be affected on 3 October 2021 (covering the period 3 October 2020 up to and including 2 October 2021). Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day. Each Note will cease to bear interest from and including its due date for redemption, unless payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment, in any of which events interest shall continue to accrue at the rate specified above plus one per cent (1%), but in any event not in excess of the maximum rate of interest allowed by Maltese law. In terms of article 2156 of the Civil Code (Chapter 16 of the laws of Malta), the right of Noteholders to bring claims for payment of interest and repayment of the principal on the Notes is barred by the lapse of five (5) years.

6.10.2 When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a three hundred and sixty (360) day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed.

6.11 Yield

The gross yield calculated on the basis of the Interest, the Issue Price and the Redemption Value of the Global Note at Redemption Date is 6% per annum.

6.12 Redemption and Purchase

6.12.1 Unless previously purchased and cancelled, the Issuer hereby irrevocably covenants in favour of each Noteholder that the Global Note and Participation Notes will be redeemed at their nominal value (together with accrued interest up to (but excluding) the date fixed for redemption) on 3 October 2025 in accordance with the terms and conditions of issue (see *Annex A1 for the full terms and conditions*), PROVIDED THAT the Issuer reserves the right to redeem all or part of the Global Note and Participation Notes on any Interest Payment Date falling in the years 2023 and 2024, on giving not less than 30 days' notice to the Nominee and Placement Agent, PROVIDED FURTHER THAT any partial redemption of the Global Note and Participation Notes shall be made in multiples of €50,000. In such a case the Issuer shall be discharged of any and all payment obligations under the Global Note upon payment made net of any withholding or other taxes due or which may be due under Maltese law and which is payable by the Noteholders.

6.12.2 Subject to the provisions of this sub-section 6.12, the Issuer may at any time purchase Participation Notes from willing sellers as agreed between both parties from time to time. Any purchase by tender shall be made available to all Participation Noteholders alike.

6.12.3 All Participation Notes so redeemed or purchased will be cancelled forthwith and may not be re-issued or re-sold. The Nominee and Placement Agent shall accordingly cancel the participations in accordance with the terms of the Nominee and Placement Agent Agreement and the Participation Note.



7. TAXATION

7.1 General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Participation Notes, including their acquisition, holding and transfer, as well as any income/gains derived therefrom or made on their disposal. The following is a summary of the anticipated tax treatment applicable to the Participation Notes and to Noteholders in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation, as known to the Issuer at the date of the Prospectus, in respect of a subject on which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation, as well as the levels of tax on the subject matter referred to in the preceding paragraph, may change from time to time.

This information is being given solely for the general information of investors. The precise implications for investors will depend, among other things, on their particular circumstances and on the classification of the Participation Notes from a Maltese tax perspective, and professional advice in this respect should be sought accordingly.

7.2 Malta Tax on Interest

Since interest is payable in respect of a Note which is the subject of a public issue, unless the Issuer is otherwise instructed by a Participation Noteholder to receive the interest gross from any withholding tax or if the Participation Noteholder does not fall within the definition of “recipient” in terms of article 41(c) of the Income Tax Act (Chapter 123 of the laws of Malta), interest shall be paid to such person net of a final withholding tax, currently at the rate of 15% (10% in the case of certain types of collective investment schemes) of the gross amount of the interest, pursuant to article 33 of the Income Tax Act. Participation Noteholders who do not fall within the definition of a “recipient” do not qualify for the said rate and should seek professional advice on the taxation of such income as special rules may apply.

This withholding tax is considered as a final tax and a Maltese resident individual Participation Noteholder is not obliged to declare the interest so received in his income tax return (to the extent that the interest is paid net of tax). No person shall be charged to further tax in respect of such income and the tax deducted shall not be available as a credit against the recipient’s tax liability or available as a refund, as the case may be.

The Issuer will render an account to the Maltese Commissioner for Revenue of all amounts of interest paid and tax so deducted, including the identity of the recipient.

In the case of a valid election made in writing by an eligible Participation Noteholder resident in Malta to receive the interest due without the deduction of final tax, interest will be paid gross and such person will be obliged to declare the interest so received in his Maltese income tax return and be subject to tax on such interest at the standard rates applicable to that person at that time. Additionally, the Issuer will also advise the Malta Commissioner for Revenue on an annual basis in respect of all interest paid gross and of the identity of all such recipients. Any such election made by a resident Participation Noteholder at the time of subscription may be subsequently changed by giving notice in writing to the Issuer. Such election or revocation will be effective within the time limit set out in the Income Tax Act.

In terms of article 12(1)(c) of the Income Tax Act, Participation Noteholders who are not resident in Malta satisfying the applicable conditions set out in the Income Tax Act, including but not limited to the condition that the Participation Noteholder is not owned and controlled by, whether directly or indirectly, nor acts on behalf of an individual/s who are ordinarily resident and domiciled in Malta, are not taxable in Malta on the interest received and will receive interest gross, subject to the requisite declaration/evidence being provided to the Issuer in terms of law.

7.3 Exchange of Information

In terms of applicable Maltese legislation, the Issuer and/or its agent are required to collect and forward certain information (including, but not limited to, information regarding payments made to certain Participation Noteholders) to the Maltese Commissioner for Revenue. The Maltese Commissioner for Revenue will or may, in turn, automatically or on request, forward the information to other relevant tax authorities subject to certain conditions. Please note that this does not constitute tax advice and Applicants are to consult their own independent tax advisors in case of doubt.

7.4 Maltese Taxation on Capital Gains on Transfer of the Participation Notes

As the Notes do not fall within the definition of “securities” in terms of article 5(1)(b) of the Income Tax Act, that is, “shares and stocks and such like instrument that participate in any way in the profits of the company and whose return is not limited to a fixed rate of return”, to the extent that the Participation Notes are held as capital assets by the Participation Noteholder, no tax on capital gains is chargeable in respect of transfer of the Participation Notes.

7.5 Duty on Documents and Transfers

No Maltese duty on documents and transfers should be chargeable on the issue of the Participation Notes.

After the issue, future transfers of the Participation Notes may be dutiable at the applicable rate or rates according to the provisions of Maltese law, specifically the Duty on Documents and Transfers Act, unless appropriate exemptions apply.



ANNEX A1 – TERMS AND CONDITIONS OF THE GLOBAL NOTE

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €11,000,000 6% GLOBAL NOTE, REDEEMABLE ON 3 OCTOBER 2025 (SUBJECT TO THE ISSUER'S OPTION TO REDEEM ALL OR PART OF THE GLOBAL NOTE ON AN EARLY REDEMPTION DATE) BY MEDITERRANEAN INVESTMENTS HOLDING PLC (THE "ISSUER" OR THE "COMPANY") IN TERMS OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT AND THE PROSPECTUS.

THE ISSUE OF THE GLOBAL NOTE IS BEING MADE SUBJECT TO THE PROVISIONS OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT DATED 18 SEPTEMBER 2020 (HEREINAFTER REFERRED TO AS THE "NOMINEE AND PLACEMENT AGENT AGREEMENT") AND OF THESE TERMS AND CONDITIONS. A PARTICIPATION NOTEHOLDER AS WELL AS ANY PERSON HAVING AN INTEREST UNDER THE GLOBAL NOTE IS DEEMED TO HAVE INVESTED ONLY AFTER HAVING RECEIVED, READ AND UNDERSTOOD THE CONTENTS OF THIS DOCUMENT AND THEREFORE ONLY AFTER HAVING FULL KNOWLEDGE OF THE INFORMATION CONTAINED IN THIS DOCUMENT AND IS ACCORDINGLY DEEMED TO HAVE ACCEPTED ALL THE TERMS AND CONDITIONS SET OUT IN THIS DOCUMENT AND THE NOMINEE AND PLACEMENT AGENT AGREEMENT.

ALL TERMS USED HEREIN SHALL UNLESS THE CONTEXT OTHERWISE REQUIRES OR UNLESS OTHERWISE DEFINED HAVE THE SAME MEANINGS ATTRIBUTED TO THEM IN THE PROSPECTUS AND THE NOMINEE AND PLACEMENT AGENT AGREEMENT.

1. GENERAL

- (a) The issuance of the Global Note has been duly authorised by a resolution of the Board of Directors of the Issuer of 25 August 2020 by virtue of the powers contained in the Memorandum and Articles of Association.
- (b) The Global Note shall be issued to the Nominee and Placement Agent, as nominee for and for the benefit of the Registered Investors, which shall constitute the Fiduciary Asset.
- (c) The Global Note shall constitute the Issuer as the true and lawful debtor of the Offer Amount in favour of the Nominee and Placement Agent on behalf of the Registered Investors.
- (d) Unless previously purchased and cancelled, the Global Note shall be redeemable at the nominal value including accrued but unpaid interest on the Redemption Date. The Issuer reserves the right to redeem part or all of the Global Note on an Early Redemption Date by announcing at least 30 days prior to such Early Redemption Date. Early Redemptions may be made by the Issuer in multiples of €50,000 together with any interest accrued up to the date fixed for redemption.

2. FORM, DENOMINATION AND TITLE

The Global Note shall be issued in fully certificated and registered form, without a coupon. The Global Note shall be issued to the Nominee and Placement Agent for the Offer Amount and the Nominee and Placement Agent shall be entered in the Register of Global Noteholders as the holder of the Global Note. The Nominee and Placement Agent shall hold the Global Note as nominee for the benefit of the Registered Investors.

3. INTEREST

- (a) The Global Note shall bear interest from and including 3 October 2020 at the rate of 6% per annum on the nominal value thereof, calculated and payable annually in arrears by the Issuer on each Interest Payment Date. The first interest payment will be effected on 3 October 2021 (covering the period 3 October 2020 to 2 October 2021). Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.
- (b) The Global Note shall cease to bear interest from and including the Redemption Date unless, upon due presentation, payment of the principal in respect of the Global Note is improperly withheld or refused, or unless the Issuer defaults in respect of payment, in any of which event interest shall continue to accrue at the rate specified above plus one per cent (1%), but in any event not in excess of the maximum rate of interest allowed by Maltese law. In terms of article 2156 of the Civil Code (Chapter 16 of the laws of Malta), the right of Global Noteholders to bring claims for payment of interest and repayment of the principal on the Notes is barred by the lapse of five (5) years.

- (c) When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a three hundred and sixty (360) day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed.

4. STATUS OF THE NOTES AND NEGATIVE PLEDGE

- (a) The Global Note shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, save for such exceptions as may be provided by applicable law, with all other outstanding and unsecured debt of the Issuer, present and future. As at the date of this Securities Note, the Issuer does not have any subordinated indebtedness.
- (b) The Issuer undertakes, for as long as any principal or interest under the Global Note remains outstanding, not to create or permit to subsist any Security Interest (as defined below), other than a Permitted Security Interest (as defined below), upon the whole or any part of their present or future assets or revenues to secure any Financial Indebtedness (as defined below) of the Issuer, unless, at the same time or prior thereto the Issuer's indebtedness under the Global Note is secured equally and rateably therewith, and the instrument creating such Security Interest so provides.

“**Financial Indebtedness**” means any indebtedness in respect of (A) monies borrowed; (B) any debenture, bond, note, loan stock or other security; (C) any acceptance credit; (D) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance for the acquisition of that asset; (E) leases entered into primarily as a method of raising finance for the acquisition of the asset leased; (F) amounts raised under any other transaction having the commercial effect of borrowing or raising of money; (G) any guarantee, indemnity or similar assurance against financial loss of any person;

“**Security Interest**” means any privilege, hypothec, pledge, lien, charge or other encumbrance or real right which grants rights of preference to a creditor over the assets of the Issuer;

“**Permitted Security Interest**” means (A) any Security Interest arising by operation of law; (B) any Security Interest securing temporary bank loans or overdrafts in the ordinary course of business; (C) any other Security Interest (in addition to (A) and (B) above) securing Financial Indebtedness of the Issuer, in an aggregate outstanding amount not exceeding eighty per cent (80%) of the difference between i) the value of the unencumbered assets of the Issuer and ii) the principal amount of the Global Note outstanding at the time.

Provided that the aggregate Security Interests referred to in (B) and (C) above do not result in the unencumbered assets of the Issuer being less than 106% of the aggregate principal amount of the Global Note still outstanding;

“**unencumbered assets**” means assets which are not subject to a Security Interest.

5. PAYMENTS

- (a) Payment of the principal amount (with interest accrued and unpaid to the Redemption Date) as well as payment of interest on the Global Note shall be made in euro to the person in whose name such Global Note is registered as at the close of business fifteen (15) days prior to the date set for redemption or fifteen (15) days prior to the relevant Interest Payment Date (as the case may be) against surrender of the Global Note at the registered office of the Issuer or at such other place in Malta as may be notified by the Issuer. Such payment shall be affected by direct credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the Global Noteholder. The Issuer shall not be responsible for any loss or delay in transmission. Such payment shall be affected within seven (7) days of the date set for redemption or the Interest Payment Date (as the case may be).
- (b) All payments with respect to the Global Note are subject in all cases to any pledge (duly constituted) of the Global Note and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments by the Issuer in respect of the Global Note shall be made gross of any amount to be deducted or withheld for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malta or authority thereof or therein having power to tax.
- (c) No commissions or expenses shall be charged to the Global Noteholder in respect of such payments.



6. REDEMPTION

- (a) Unless previously purchased and cancelled, the Global Note shall be redeemed at the nominal value (together with interest accrued and which has remained unpaid to the date set for redemption) on the Redemption Date. Partial redemptions are allowed on any Interest Payment Date falling in the years 2023 and 2024 as long as they are made in multiples of €50,000.
- (b) The redemption of the Global Note shall take place by payment of all principal and interest accrued until the date of redemption. The notice of redemption shall be effective only on actual receipt by the Nominee and Placement Agent, shall be irrevocable and shall oblige the Issuer to make and the Nominee and Placement Agent to accept such redemption on the date specified in the notice.
- (c) All or part of the Global Note being redeemed shall be cancelled forthwith and may not be re-issued or re-sold.

7. COVENANTS BY THE COMPANY

The Company hereby covenants in favour of the Nominee and Placement Agent for the benefit of Registered Investors, that at all times during which any of the Global Note shall remain outstanding:

- (a) It shall, until the Global Note has been redeemed, pay to the Nominee and Placement Agent for the benefit of the Participation Noteholders interest at the rate of 6% *per annum* on each Interest Payment Date and the principal amount of the Global Note on the Redemption Date;
- (b) The Issuer shall keep proper books of account, and shall deliver to the Nominee and Placement Agent at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified by the auditors of the Issuer respectively and copies of the auditors' and directors' reports thereon, together with copies of any other documents required by law to be attached thereto;
- (c) The Issuer shall carry on and conduct its business in a proper and efficient manner.

8. REPRESENTATIONS AND WARRANTIES

- (1) The Issuer represents and warrants to the Nominee and Placement Agent and each Participation Noteholder, and each of the Nominee and Placement Agent and Participation Noteholder rely on such representations and warranties, that:
 - (a) It is duly registered and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its properties and other assets under valid legal title;
 - (b) It has the power to execute, deliver, and perform its obligations under this document and the Nominee and Placement Agent Agreement; and that all necessary corporate, shareholder and other action has been duly taken to authorise the execution, delivery and performance of the same, and further that no limitation on the powers of the Issuer to borrow or guarantee shall be exceeded as a result of the Nominee and Placement Agent Agreement;
 - (c) This document and the Nominee and Placement Agent Agreement constitute valid and legally binding obligations of the Issuer;
 - (d) The execution and performance of its obligations under and in compliance with the provisions of this document and the Nominee and Placement Agent Agreement by the Issuer shall not:
 - (i) contravene any existing applicable law, statute, rule or regulation or any judgement, decree or permit to which the Issuer is subject;
 - (ii) conflict with or result in any breach of any terms of or constitute a default under any bond or other instrument to which the Issuer is a party, or is subject, or by which it or any of its property is bound;
 - (iii) contravene any provision of the Issuer's Memorandum or Articles of Association;
 - (e) No litigation, arbitration or administrative proceeding is taking place, pending or, to the knowledge of the officers of the Issuer, threatened against the Issuer which could have a material adverse effect on its business, assets or financial condition of the Issuer;

- (f) The Prospectus contains all material information with respect to the Issuer and that all information contained therein is in every material respect true and accurate and not misleading and that there are no other facts in relation to the Issuer, its business and financial position, the omission of which would in the context of issue of the Global Note make any statement in the Prospectus misleading or inaccurate in any material respect.
- (2) The Issuer further represents and warrants to the Nominee and Placement Agent and each Participation Noteholder that rely on such representations and warranties, that:
 - (a) Every consent, authorisation, approval or registration with, or declaration to governmental or public bodies or authorities or courts, required by the Issuer in connection with the execution, validity, enforceability of the Nominee and Placement Agent Agreement or the performance of its obligations under the Nominee and Placement Agent Agreement have been obtained or made and are in full force and effect and there has been no default in the observance of any of the conditions or restrictions, if any, imposed on, or in connection with, any of the same;
 - (b) No default mentioned in this document or the Nominee and Placement Agent Agreement has occurred and is continuing.

9. FUNCTIONS AND POWERS OF THE NOMINEE AND PLACEMENT AGENT

- (1) The Nominee and Placement Agent may, but shall not be bound to, unless requested to do so in writing by not less than seventy-five percent (75%) in value of the Registered Investors, enforce or take any step to enforce the covenants in clause 7 hereof, and (subject to any such request as aforesaid) may waive on such terms and conditions as it shall deem expedient any of the covenants and provisions hereinabove contained and on the part of the Issuer to be performed and observed.
- (2) The Nominee and Placement Agent shall only be bound to monitor financial information relating to the Issuer, on behalf of the Registered Investors, as shall be forwarded to the Nominee and Placement Agent by the Issuer on an annual basis.
- (3) Without prejudice to the powers and reliefs conferred on the Nominee and Placement Agent by applicable law and by the Nominee and Placement Agent Agreement, the Nominee and Placement Agent shall have the following powers:
 - (a) To employ and pay at the reasonable cost of the Company in discharge of its duties any agent to do anything or transact any business to be done or transacted under the Nominee and Placement Agent Agreement or this document, without being under any liability for any default of such agent; PROVIDED THAT prior to employing any agent as aforementioned, notice in writing of the estimated costs to be incurred is to be given to the Issuer;
 - (b) To rely on the advice of any lawyer, broker, surveyor, valuer or accountant or other professional person without incurring any liability for so relying notwithstanding that such professional person may have been employed by the Company or may otherwise not be disinterested and without incurring liability for any error in the transmission of any such advice or by reason of the same not being authentic;
 - (c) To delegate any of its discretions under the Prospectus and the Nominee and Placement Agent Agreement to any officer or servant of the Nominee and Placement Agent believed by it to be competent and responsible and to delegate any of its powers and duties under the Prospectus and the Nominee and Placement Agent Agreement to such persons (including any such officer or servant as aforesaid) as it shall think fit, and to confer power to sub-delegate, without incurring any liability for the default of any person to whom such discretions powers or duties are delegated or sub-delegated;

And generally the Nominee and Placement Agent shall not be liable for any error of judgment committed in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts and the Nominee and Placement Agent, its officers and agents shall be entitled to be indemnified by the Issuer so far as may be lawful in respect of all liabilities incurred in the execution of the nominee relationship arising in terms of the Nominee and Placement Agent Agreement.

10. EVENTS OF DEFAULT

The Nominee and Placement Agent may at its discretion, and shall upon the request in writing of not less than seventy five percent (75%) in value of the Registered Investors, by notice in writing to the Issuer declare the Global Note to have become immediately payable on the occurrence of any of the following events (“Events of Default”):

- (a) the Issuer shall fail to pay any interest on the Global Note when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or



- (b) the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in the Terms and Conditions of this Annex A1 and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- (c) if the Issuer, having announced the redemption of the Global Note whether in whole or in part, defaults for sixty (60) days in the payment of any principal monies owing in respect of such early redemption; and/or
- (d) if a Court order or other judicial process is levied or enforced upon or sued out against any material part of the properties of the Issuer and is not paid out, withdrawn or discharged within one month; and/or
- (e) if the Issuer stops payment of its debts or ceases or threatens to cease to carry on its business; and/or
- (f) if the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise insolvent; and/or
- (g) within the meaning of section 214(5) of the Act, or any statutory modification or re-enactment thereof, a Court order or other judicial process is levied or enforced upon or sued out against any part of the property of the Issuer and is not paid out, withdrawn or discharged within one (1) months; and/or
- (h) if a receiver is appointed of the whole or any material part of the properties of the Issuer and such appointment is certified by the Nominee and Placement Agent to be prejudicial in its opinion to the Registered Investors; and/or
- (i) if an order is made or an effective resolution is passed for winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division the terms of which have been approved in writing by the Nominee and Placement Agent; and/or
- (j) if the Issuer commits a breach of any of the covenants or provisions herein contained and on its part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Nominee and Placement Agent (other than any covenant for the payment of interests or principal monies owing in respect of the Global Note);
- (k) if any representation or warranty made, or deemed to be made, or repeated by, or in respect of the Issuer is or proves to have been incorrect in any material respect;
- (l) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of three million Euro (€3,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; and/or
- (m) if it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder;
- (n) if the Issuer repudiates or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Global Note;
- (o) all, or in the sole opinion of the Nominee and Placement Agent, a material part of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Company are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

Upon any such Event of Default occurring and not being remedied within the relevant cure period, as applicable, the Global Note and all principal monies and interest accrued shall be deemed to have become immediately due payable at the time of the event which shall have happened as aforesaid.

11. REGISTER OF GLOBAL NOTEHOLDERS

- (a) The Issuer shall maintain a register, at its registered office or at such other place in Malta as the directors of the Issuer may determine, in which it shall enter the name and address of the Nominee and Placement Agent as the holder of the Global Note, together with particulars of the Global Note. A copy of such register shall at all reasonable times during business hours be open to inspection by the Nominee and Placement Agent at the registered office of the Issuer.
- (b) In the event that any Global Note represented by a certificate shall be worn out, defaced, destroyed or lost, it may be replaced on such evidence being produced and such indemnity (if any) being given as the Issuer may at its discretion require and in accordance with the Global Note register, and in the case of wearing out, or defacement, or change of address of the Global Noteholder, on delivery of the old certificate, and in the case of destruction or loss, on the execution of such indemnity as is considered necessary, and in any case upon the payment of €50 (fifty euro). In case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Issuer all expenses incidental to the investigation by the Issuer of the evidence of such destruction or loss and to such indemnity.

12. FURTHER ISSUES

The Issuer may, from time to time, without the consent of the respective Global Noteholder, create and issue further bonds, notes, debentures or any other debt securities having such terms as the Issuer (as applicable) may determine at the time of their issue.

13. GOVERNING LAW AND JURISDICTION

- (a) The Global Note has been created, and the Offer relating thereto is being made, in terms of the Act. From its inception the Global Note, and all contractual arrangements arising therefrom, shall be governed by and shall be construed in accordance with Maltese law.
- (b) Any legal action, suit, action or proceeding against the Issuer arising out of or in connection with a Global Note shall be brought exclusively before the Maltese Courts and the Global Noteholder shall be deemed to acknowledge that it is submitting to the exclusive jurisdiction of the Maltese Courts as aforesaid.

14. SECURITY

The Global Note shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, save for such exceptions as may be provided by applicable law, with all other outstanding and unsecured debt of the Issuer, present and future. As at the date of this Securities Note, the Issuer does not have any subordinated indebtedness.

15. NOTICES

Notices will be mailed to the Global Noteholder at its registered address and shall be deemed to have been served at the expiration of twenty-four (24) hours after the letter containing the notice is posted, and in proving such service it shall be sufficient to prove that a prepaid letter containing such notice was properly addressed to such Global Noteholder at its registered address and posted.



ANNEX A2 – TERMS AND CONDITIONS OF THE PARTICIPATION NOTES

TERMS AND CONDITIONS OF THE PARTICIPATION NOTES IN TERMS OF THE PROSPECTUS

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €11,000,000 6% PARTICIPATION NOTES, IN TERMS OF THE PROSPECTUS REDEEMABLE ON 3 OCTOBER 2025 (OR EARLIER ON AN EARLY REDEMPTION DATE) BY THE NOMINEE AND PLACEMENT AGENT.

THE ISSUE OF THE PARTICIPATION NOTES IS BEING MADE SUBJECT TO THE PROVISIONS OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT DATED 18 SEPTEMBER 2020 (HEREINAFTER REFERRED TO AS THE “NOMINEE AND PLACEMENT AGENT AGREEMENT”) AND OF THESE TERMS AND CONDITIONS. A PARTICIPATION NOTEHOLDER AS WELL AS ANY PERSON HAVING AN INTEREST UNDER THE PARTICIPATION NOTES IS DEEMED TO HAVE INVESTED ONLY AFTER HAVING RECEIVED, READ AND UNDERSTOOD THE CONTENTS OF THIS DOCUMENT AND THEREFORE ONLY AFTER HAVING FULL KNOWLEDGE OF THE INFORMATION CONTAINED IN THIS DOCUMENT AND IS ACCORDINGLY DEEMED TO HAVE ACCEPTED ALL THE TERMS AND CONDITIONS SET OUT IN THIS DOCUMENT AND THE NOMINEE AND PLACEMENT AGENT AGREEMENT.

ALL TERMS USED HEREIN SHALL UNLESS THE CONTEXT OTHERWISE REQUIRES OR UNLESS OTHERWISE DEFINED HAVE THE SAME MEANINGS ATTRIBUTED TO THEM IN THE PROSPECTUS AND THE NOMINEE AND PLACEMENT AGENT AGREEMENT.

1. GENERAL

- (a) The Global Note shall constitute the Issuer as the true and lawful debtor of the Offer Amount in favour of the Nominee and Placement Agent on behalf of the Registered Investors. The Participation Notes constitute the beneficial interest of the Participation Noteholders in the Global Note including the right to payment of principal and interest under the Global Note.
- (b) The Participation Notes shall bear interest at a rate of 6% (six per cent) per annum in accordance with the terms and conditions as set out in the Prospectus.
- (c) The Participation Notes shall be redeemable at their nominal value including accrued but unpaid interest on the Redemption Date. Upon an early redemption of the Global Note, the Participation Notes of all Participation Noteholders shall be redeemed in whole or in part according and up to the amount received by the Nominee and Placement Agent from the redemption of the Global Note.
- (d) The Participation Notes are freely transferable, provided that any individual holder of Participation Notes shall maintain at all times a minimum holding of €50,000 in the said Notes.

2. FORM, DENOMINATION AND TITLE

- (a) The Participation Notes shall be issued in fully certificated and registered form, without coupons. Participation Notes shall be issued under the signature of a duly authorised signatory of the Nominee and Placement Agent.
- (b) The Nominee and Placement Agent shall maintain a Register of Investors which shall identify the Registered Investors from time to time. An entry in the Register of Investors shall be conclusive evidence of the beneficial interest of the person or persons named therein in the Global Note. The Register of Investors shall contain the following information:
 - Name of the Registered Investor;
 - Address of the Registered Investor;
 - Identity Card number (in the case of an individual);
 - Company Registration Number (in the case of a company);
 - The value expressed in euro (€) of the beneficial interest of the Registered Investor in the Global Note; and
 - Date of entry into the Register of Investors.

Every Registered Investor shall be entitled to be entered in the Register of Investors as a participant in the Global Note and shall be entitled to receive from the Nominee and Placement Agent a Participation Note acknowledging the Registered Investors' beneficial interest in the Global Note and evidencing the appropriate entry in the Register of Investors.

- (c) Any such Participation Note issued by the Nominee and Placement Agent in favour of a single or joint Registered Investor shall be for an amount not below fifty thousand euro (€50,000) and in multiples of one thousand euro (€1,000) each thereafter.
- (d) Joint Registered Investors shall be entitled to only one entry in the Register of Investors and accordingly to only one Participation Note. Such Participation Note shall be issued and delivered to that joint Registered Investor whose name first appears in the Register of Investors and the Nominee and Placement Agent shall not be bound to register more than three (3) persons as the joint Registered Investors.

3. INTEREST

- (a) The Participation Notes shall bear interest from and including 3 October 2020 at the rate of 6% per annum on the nominal value thereof, calculated and payable annually in arrears by the Issuer on each Interest Payment Date. The first interest payment will be affected on 3 October 2021 (covering the period 3 October 2020 to 2 October 2021). Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.
- (b) When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a three hundred and sixty (360) day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed.
- (c) The Participation Notes shall cease to bear interest from and including the Redemption Date.

4. PAYMENTS

- (a) Payment of the principal amount (with interest accrued and unpaid to the Redemption Date) as well as payment of interest on the Participation Notes shall be made in euro to the person in whose name such Participation Note is registered as at the close of business fifteen (15) days prior to the date set for redemption or fifteen (15) days prior to the relevant Interest Payment Date (as the case may be) against surrender of the Participation Note at the registered office of the Nominee and Placement Agent or at such other place in Malta as may be notified by the Nominee and Placement Agent. Such payment shall be affected by direct credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the Participation Noteholder. The Nominee and Placement Agent shall not be responsible for any loss or delay in transmission. The Nominee and Placement Agent shall affect payments of principal or interest within three (3) business days from the date of actual receipt of payment thereof from the Issuer.
- (b) All payments with respect to the Participation Notes are subject in all cases to any pledge (duly constituted) of the Participation Notes and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments by the Nominee and Placement Agent in respect of the Participation Note shall be made net of any amount which the Nominee and Placement Agent is compelled to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malta or authority thereof or therein having power to tax.
- (c) No commissions or expenses shall be charged to the Participation Noteholder in respect of such payments.
- (d) The Nominee and Placement Agent shall only be under an obligation to effect payments of principal or interest to the Participation Noteholders if it has effectively received such payments from the Issuer. No liability shall attach to the Nominee and Placement Agent if it fails to affect such payments to Participation Noteholders when such failure is due to the non-payment thereof by the Issuer.
- (e) Payment of the principal and/or interest by the Issuer to the Nominee and Placement Agent under the Global Note shall relieve the Issuer from any further liability, to the extent of the payment made, towards the Participation Noteholders and the Participation Noteholders shall have no right or claim against the Issuer should they not receive the relative payment from the Nominee and Placement Agent.

5. REDEMPTION

- (a) Unless previously redeemed and cancelled, the Participation Notes shall be redeemed at their nominal value (together with interest accrued to the date set for redemption) on the Redemption Date.
- (b) Each Registered Investor may, even before the Redemption Date, apply to the Nominee and Placement Agent to have its Participation Notes or any part thereof cancelled, provided that in the case of a request for cancellation, the cancellation request



shall be for a minimum face value of €50,000 and multiples of €1,000 thereafter. The Nominee and Placement Agent may, but shall be under no obligation to, accede to such request, to be made in writing, by a Registered Investor. In the event that the Nominee and Placement Agent accedes to the Registered Investor's request it shall cancel the entry of such Registered Investor in the Register of Investors and the Participation Note of the Registered Investor concerned in whole or in part, as the case may be, for the nominal value of the Participation Note or that part thereof which is being cancelled. In such event (i) the Nominee and Placement Agent shall pay to the Registered Investor concerned the nominal value of that Registered Investor's Participation Notes and accrued and unpaid interest thereon; and (ii) the Nominee and Placement Agent shall be deemed to have a beneficial interest in the Global Note for the value corresponding to the cancellation.

- (c) The Nominee and Placement Agent may also receive requests from persons willing to have a beneficial interest in the Global Note. The Nominee and Placement Agent may, from its own beneficial interest in the Global Note, if any, accede to such request, but shall be under no obligation to do so. In the event that the Nominee and Placement Agent accedes to such request it shall register the beneficial interest of such person in the Global Note in the Register of Investors and issue a Participation Note in terms of the provisions of these terms and conditions, against payment by the applicant of the value of his/her Participation Note.
- (d) In the event that the Issuer redeems the Global Note in whole or in part, the Nominee and Placement Agent shall redeem an equivalent amount of Participation Notes, such amount to be split between the Participation Noteholders according to their participation in proportion to the aggregate holding of Participation Notes.
- (e) Upon an early redemption, the Participation Notes shall be cancelled in whole or in part. The Participation Noteholder shall hand over the Participation Note, and in case of a redemption in part, receive a new Participation Note stating the new amount of the Participation Note.
- (f) The Nominee and Placement Agent may, at its discretion, charge a fee to Registered Investors for each cancellation and subsequent entry made in the Register of Investors, which fee shall not exceed €60 per cancellation or subsequent entry.

6. COVENANTS BY THE COMPANY

The Company hereby covenants in favour of the Nominee and Placement Agent for the benefit of Registered Investors, that at all times during which any of the Global Note shall remain outstanding:

- (a) It shall, until the Global Note has been redeemed, pay to the Nominee and Placement Agent for the benefit of the Participation Noteholders interest at the rate of 6% per annum on each Interest Payment Date and the principal amount of the Global Note on the Redemption Date, subject to the Issuer's option to redeem all or part of the Global Note on an Early Redemption Date.
- (b) The Issuer shall keep proper books of account, and shall deliver to the Nominee and Placement Agent at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified by the auditors of the Issuer and copies of the auditors' and directors' reports thereon, together with copies of any other documents required by law to be attached thereto;
- (c) The Issuer shall carry on and conduct its business in a proper and efficient manner.

7. REPRESENTATIONS AND WARRANTIES OF THE ISSUER

- (1) The Issuer represents and warrants to the Nominee and Placement Agent and each Participation Noteholder, and each of the Nominee and Placement Agent and Participation Noteholder rely on such representations and warranties, that:
 - (a) It is duly registered and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its properties and other assets under valid legal title;
 - (b) It has the power to execute, deliver, and perform its obligations under this document;
 - (c) The Global Note constitutes valid and legally binding obligations of the Issuer;
 - (d) The execution and performance of its obligations under and in compliance with the provisions of the Global Note by the Issuer shall not:
 - (i) contravene any existing applicable law, statute, rule or regulation or any judgement, decree or permit to which the Issuer is subject;

- (ii) conflict with or result in any breach of any terms of or constitute a default under any bond or other instrument to which the Issuer is a party, or is subject, or by which it or any of its property is bound;
 - (iii) contravene any provision of the Issuer's Memorandum or Articles of Association;
 - (e) No litigation, arbitration or administrative proceeding is taking place, pending or, to the knowledge of the officers of the Issuer, threatened against the Issuer which could have a material adverse effect on the business, assets or financial condition of the Issuer;
 - (f) The Prospectus contains all material information with respect to the Issuer and that all information contained therein is in every material respect true and accurate and not misleading and that there are no other facts in relation to the Issuer, its business and financial position, the omission of which would in the context of issue of the Global Note make any statement in the Prospectus misleading or inaccurate in any material respect.
- (2) The Issuer further represents and warrants to the Nominee and Placement Agent and each Participation Noteholder that rely on such representations and warranties, that:
- (a) Every consent, authorisation, approval or registration with, or declaration to governmental or public bodies or authorities or courts, required by the Issuer in connection with the execution, validity, enforceability of the Nominee and Placement Agent Agreement or the performance of its obligations under the Nominee and Placement Agent Agreement has been obtained or made and are in full force and effect and there has been no default in the observance of any of the conditions or restrictions, if any, imposed in, or in connection with, any of the same;
 - (b) No default mentioned in this document or the Nominee and Placement Agent Agreement has occurred and is continuing.

8. FUNCTIONS AND POWERS OF NOMINEE AND PLACEMENT AGENT

- (1) The Nominee and Placement Agent may, but shall not be bound, unless requested to do so in writing by not less than seventy-five percent (75%) in value of the Registered Investors, to enforce or take any step to enforce the covenants in clause 6 hereof, and (subject to any such request as aforesaid) may waive on such terms and conditions as it shall deem expedient any of the covenants and provisions hereinabove contained and on the part of the Issuer to be performed and observed.
- (2) The Nominee and Placement Agent shall only be bound to monitor financial information relating to the Issuer, on behalf of the Registered Investors, as may be forwarded to the Nominee and Placement Agent by the Issuer on an annual basis.
- (3) The Nominee and Placement Agent shall have the following powers:
 - (a) To rely on the advice, opinion, direction, report, statement, certificate, or other information furnished by any lawyer, broker, surveyor, valuer or accountant or other professional person without incurring any liability for so relying notwithstanding that such professional person may have been employed by the Issuer or may otherwise not be disinterested and without incurring liability for any error in the transmission of any such advice or by reason of the same not being authentic;
 - (b) To delegate any of its discretions under the Prospectus to any officer or agent of the Nominee and Placement Agent believed by it to be competent and responsible and to delegate any of its powers and duties under the Prospectus to such persons (including any such officer or agent as aforesaid) as it shall think fit, and to confer power to sub-delegate, without incurring any liability for the default of any person to whom such discretions, powers or duties are delegated or sub-delegated.

9. EVENTS OF DEFAULT UNDER THE GLOBAL NOTE

The Nominee and Placement Agent may at its discretion, and shall upon the request in writing of not less than seventy-five percent (75%) in value of the Registered Investors, by notice in writing to the Issuer declare the Global Note to have become immediately payable on the occurrence of any of the following events (“**Events of Default**”):

- (a) the Issuer shall fail to pay any interest on any Global Note when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- (b) the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in these Terms and Conditions and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or



- (c) if the Issuer, having announced the redemption of the Global Note whether in whole or in part, defaults for sixty (60) days in the payment of any principal monies owing in respect of such early redemption; and/or
- (d) if a Court order or other judicial process is levied or enforced upon or sued out against any material part of the properties of the Issuer and is not paid out, withdrawn or discharged within one month; and/or
- (e) if the Issuer stops payment of its debts or ceases or threatens to cease to carry on its business; and/or
- (f) if the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent; and/or
- (g) within the meaning of section 214(5) of the Act, or any statutory modification or re-enactment thereof, a Court order or other judicial process is levied or enforced upon or sued out against any part of the property of the Issuer and is not paid out, withdrawn or discharged within one (1) month; and/or
- (h) if a receiver is appointed of the whole or any material part of the properties of the Issuer and such appointment is certified by the Nominee and Placement Agent to be prejudicial in its opinion to the Registered Investors; and/or
- (i) if an order is made or an effective resolution is passed for winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division the terms of which have been approved in writing by the Nominee and Placement Agent; and/or
- (j) if the Issuer commits a breach of any of the covenants or provisions herein contained and on their part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Nominee and Placement Agent (other than any covenant for the payment of interests or principal monies owing in respect of the Global Note);
- (k) if any representation or warranty made, or deemed to be made, or repeated by, or in respect of the Issuer is or proves to have been incorrect in any material respect;
- (l) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of three million Euro (€3,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; and/or
- (m) if it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder;
- (n) if the Issuer repudiates or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Global Note;
- (o) all, or in the sole opinion of the Nominee and Placement Agent, a material part of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Company is seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

Upon any such Event of Default occurring and not being remedied within the relevant cure period, as applicable, the Global Note and all principal monies and interest accrued shall be deemed to have become immediately due payable at the time of the event which shall have happened as aforesaid.

10. REGISTRATION AND REPLACEMENT OF THE PARTICIPATION NOTES

- (a) A register of the Participation Notes shall be maintained by the Nominee and Placement Agent at its registered office or at such other place in Malta as the Nominee and Placement Agent may determine, wherein there will be entered the names and addresses of the Participation Noteholders and particulars of the Participation Notes held by them respectively and a copy of such register will at all reasonable times during business hours be open to inspection by Participation Noteholders at the registered office of the Nominee and Placement Agent.
- (b) Any person becoming entitled to a Participation Note in consequence of bankruptcy or winding-up of a Participation Noteholder may, upon such evidence being produced as may from time to time properly be required by the Nominee and Placement Agent, request in writing the redemption and cancellation of such Participation Note followed by the issuance of a new Participation Note of the same amount and may elect either to be registered himself as Participation Noteholder or to have some person nominated by him registered as Participation Noteholder.

All redemptions are subject to any pledge (duly constituted) of the Participation Notes and to any applicable laws and regulations.

- (c) In the event that any Participation Note represented by certificate shall be worn out, defaced, destroyed or lost, it may be replaced on such evidence being produced and such indemnity (if any) being given as the Nominee and Placement Agent may at its discretion require and in accordance with the Participation Note register, and in the case of wearing out, or defacement, or change of address of the Participation Noteholder, on delivery of the old certificate, and in the case of destruction or loss, on the execution of such indemnity as is considered necessary, and in any case upon the payment of fifty euro (€50). In case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Nominee and Placement Agent all expenses incidental to the investigation by the Nominee and Placement Agent of the evidence of such destruction or loss and to such indemnity.
- (d) The Nominee and Placement Agent shall be required to provide the Issuer with an updated copy of the register of Participation Noteholders, including extracts therefrom, as may be required by the Issuer from time to time, and the Participation Noteholder shall by entering into the Subscription Agreement relative to the Participation Notes taken up by him be deemed to have given his express, unequivocal and irrevocable consent to the communication of such information to the Issuer.

11. TRANSFERABILITY OF THE PARTICIPATION NOTES

- (a) The Participation Notes are freely transferable and once registered by the Nominee and Placement Agent, may be transferable in whole for a minimum face value of €50,000 (fifty thousand euro) and multiples of €1,000 (one thousand euro) thereafter.
- (b) All transfers are subject in all cases to any pledge (duly constituted) of the Participation Notes and to any applicable laws and regulations.
- (c) The cost and expenses of effecting any registration of transfer, except for the expenses of delivery by any means other than regular mail (if any) and except, if the Issuer shall so require, the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the person to whom the transfer has been made.
- (d) Any person to whom the transfer has been made shall, upon such evidence being produced as may from time to time properly be required by the Nominee and Placement Agent, request in writing the transfer of such Participation Note from a registered Participation Noteholder and may elect either to be registered himself as Participation Noteholder or to have some person nominated by him registered as Participation Noteholder.
- (e) The Nominee and Placement Agent will not register the transfer of Participation Notes for a period of fifteen (15) days preceding the due date for any payment of interest on the Participation Notes.

12. MEETINGS OF PARTICIPATION NOTEHOLDERS

- (a) The provisions of the Prospectus and of the Nominee and Placement Agent Agreement may be amended with the approval of Registered Investors at a meeting called for that purpose by the Nominee and Placement Agent in accordance with the terms hereunder.
- (b) In the event that the Issuer wishes to amend any of the provisions set out in the Prospectus or of the Nominee and Placement Agent Agreement, it shall call upon the Nominee and Placement Agent, in writing, seeking its consent to such amendment or amendments. The Nominee and Placement Agent, prior to granting or refusing such consent, shall call a meeting of Participation Noteholders registered in the Register of Investors as at that date, by giving such Participation Noteholders not less than fourteen (14) days' notice in writing, setting out in the notice the time, place and date set for the meeting and the matters to be discussed thereat, including sufficient information on any amendment of the Prospectus or the Nominee and Placement Agent Agreement that is proposed to be voted upon at the meeting and seeking the approval of the Participation Noteholders registered as aforesaid. Following a meeting of Participation Noteholders held in accordance with the provisions contained hereunder, the Nominee and Placement Agent shall, acting in accordance with the resolution(s) taken at the meeting, communicate to the Issuer whether its consent to a request of the Issuer is granted or withheld. Subject to having obtained the necessary approval by the said Participation Noteholders in accordance with the terms set out hereunder at a meeting called for that purpose as aforesaid, any such proposed amendment or amendments to the provisions set out in the Prospectus or Nominee and Placement Agent Agreement shall subsequently be given effect to by the Issuer in consultation with the Nominee and Placement Agent.



- (c) For all intents and purposes it is hereby set out that any meeting of Participation Noteholders, including but not limited to meetings held for the purposes set out in paragraphs (a) and (b) above, shall be held in accordance with the provisions of the Nominee and Placement Agent Agreement and the procedure set out below.
- (d) A meeting of Participation Noteholders shall be called by giving Participation Noteholders not less than fourteen (14) days' notice in writing, setting out in the notice the time, place and date set for the meeting and the matters to be discussed thereat.
- (e) A meeting of Participation Noteholders shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting. For this purpose at least two (2) Participation Noteholders present, in person or by proxy, representing not less than fifty per cent (50%) in nominal value of the Participation Notes then outstanding, shall constitute a quorum. If a quorum is not present within thirty (30) minutes from the time scheduled for the commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors to the Participation Noteholders present at that meeting. An adjourned meeting shall be held not earlier than five (5) days, and not later than fifteen (15) days, following the original meeting. At an adjourned meeting the number of Participation Noteholders present, in person or by proxy, shall constitute a quorum; and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.
- (f) Once a quorum is declared present by the Chairman of the meeting (who shall be the person who in accordance with the memorandum and articles of association of the Issuer would chair a general meeting of members of the Issuer), the meeting may then proceed to business and address the matters set out in the notice convening the meeting. In the event of decisions being required at the meeting, the directors or their representative shall present to the Participation Noteholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken, including but not limited to why the Terms and Conditions of Issue of the Participation Notes ought to be amended as proposed by the Issuer. The meeting shall allow reasonable and adequate time to Participation Noteholders to present their views to the Issuer and the other Participation Noteholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Participation Noteholders present at the time at which the vote is being taken, and any Participation Noteholders taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.
- (g) The voting process shall be managed by the Company Secretary under the supervision and scrutiny of the Auditors of the Issuer.
- (h) The proposal placed before a meeting of Participation Noteholders shall only be considered approved if at least seventy-five percent (75%) in nominal value of the Participation Noteholders present at the meeting at the time at which the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.
- (i) Save for the above, the rules generally applicable to the Issuer during general meetings of shareholders of the Issuer shall apply mutatis mutandis to meetings of Participation Noteholders.

13. PARTICIPATION NOTES HELD JOINTLY

In respect of a Participation Note held jointly by several persons (including but not limited to husband and wife), the joint Participation Noteholders shall nominate one of their number as their representative and his/her name will be entered in the register with such designation. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Participation Note so held. In the absence of such nomination and until such nomination is made, the person first named on the register in respect of such Participation Note shall, for all intents and purposes, be deemed to be the registered holder of the Participation Note so held. The Nominee and Placement Agent shall not be bound to register more than three (3) persons as the joint Registered Investors.

14. PARTICIPATION NOTES HELD SUBJECT TO USUFRUCT

In the respect of a Participation Note held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the register. The usufructuary shall for all intents and purposes be deemed, vis-a-vis the Nominee and Placement Agent, to be the holder of the Participation Note so held and shall have the right to receive interest on the Participation Note, but shall not, during the continuance of the Participation Note, have the right to dispose of the Participation Note so held without the consent of the bare owner.

15. GOVERNING LAW AND JURISDICTION

- (a) The Participation Notes and all contractual arrangements arising therefrom are governed by and shall be construed in accordance with Maltese law.
- (b) Any legal action, suit, action or proceeding against the Issuer arising out of or in connection with a Participation Note shall be brought exclusively before the Maltese Courts and the Participation Noteholders shall be deemed to acknowledge that they are submitting to the exclusive jurisdiction of the Maltese Courts as aforesaid.

16. NOTICES

Notices will be mailed to Participation Noteholders at their registered addresses and shall be deemed to have been served at the expiration of twenty-four (24) hours after the letter containing the notice is posted, and in proving such service it shall be sufficient to prove that a prepaid letter containing such notice was properly addressed to such Participation Noteholder at his/her registered address and posted.

ISSUER

MEDITERRANEAN INVESTMENTS HOLDING P.L.C.
22, EUROPA CENTRE, JOHN LOPEZ STREET,
FLORIANA FRN 1400, MALTA

AUDITORS

GRANT THORNTON
FORT BUSINESS CENTRE,
TRIQ L-INTORNJATUR, ZONE 1,
CENTRAL BUSINESS DISTRICT,
BIRKIRKARA CBD 1050, MALTA

NOMINEE AND
PLACEMENT AGENT

MZ INVESTMENT SERVICES LTD.
61, MZ HOUSE, ST RITA STREET,
RABAT RBT 1523, MALTA

