

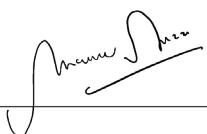
Mizzi Organisation Finance p.l.c.

Summary dated 24 September 2021

YOU ARE ABOUT TO PURCHASE SECURITIES THAT ARE NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND. THIS SUMMARY HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY, AS COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ONLY APPROVED THIS SUMMARY 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 ISSUER AND THE SECURITIES THAT ARE THE SUBJECT OF THIS SUMMARY.

THIS SUMMARY IS VALID FOR A PERIOD OF TWELVE (12) MONTHS FROM THE DATE THEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THIS SUMMARY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

APPROVED BY THE BOARD OF DIRECTORS



Maurice F. Mizzi



Carmel J. Farrugia

signing in their own capacity as directors of the Issuer and on behalf of each of Brian R. Mizzi, Kenneth C. Mizzi, Kevin Rapinett and Joseph M. Galea as their duly appointed agents.

This Summary is prepared in accordance with the requirements of the Prospectus Regulation and the delegated acts issued thereunder. This Summary contains key information which investors require in order to understand the nature and the risks of the Issuer and the Bonds. Except where the context otherwise requires, the capitalised words and expressions used in this Summary shall bear the meanings assigned to them in the Registration Document and the Securities Note, as the case may be.

1. Introduction And Warnings

This Summary contains key information on the Issuer, the Guarantors and the Bonds, summarised details of which are set out below:

Issuer	Mizzi Organisation Finance p.l.c., a public limited liability company registered in Malta, with company registration number C 29506 and legal entity identifier (LEI) number 485100SI6M5QXXM00H23.
Address	Mizzi Organisation Corporate Office, Testaferrata Street, Ta' Xbiex XBX 1407, Malta.
Telephone number	+356 2596 9000
Issuer Website	www.mofplc.com
Competent authority approving the Prospectus	The MFSA, established in terms of the Financial Markets Act (Cap. 345 of the laws of Malta).
Address	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara, Malta, CBD 1010.
Telephone number	+356 2144 1155
MFSA Website	https://www.mfsa.mt/
Name of the securities	3.65% Bonds due 2028-2031
ISIN number of the Bonds	MT0000211228
Prospectus approval date	24 September 2021

Prospective investors are hereby warned that:

- i. this Summary should be read as an introduction to the Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the Bonds being offered pursuant to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this document;
- ii. any decision of the investor to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor;
- iii. an investor may lose all or part of the capital invested in subscribing for Bonds;
- iv. where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and
- v. civil liability attaches only to those persons who have tabled the Summary, including any translation thereof, but only if the Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate, or inconsistent or does not provide key information in order to aid investors when considering whether to invest in the Bonds.

2. Key Information on the Issuer

2.1 Who is the Issuer of the Bonds?

2.1.1 Domicile and legal form, its LEI and country of incorporation

The Issuer is Mizzi Organisation Finance p.l.c., a public limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta). The Issuer was incorporated and is domiciled in Malta and with legal entity identifier (LEI) number 485100SI6M5QXXM00H23.

2.1.2 Principal Activities of the Issuer

The Issuer is a finance company and does not carry out any trading activities of its own. The sole purpose of the Issuer is that of raising funds in the capital markets for the purposes of on-lending the said funds to companies forming part of the Mizzi Organisation. The sole asset of the Issuer consists in loans granted to companies forming part of the Mizzi Organisation.

2.1.3 Organisational Structure of the Mizzi Organisation

The Issuer is fully owned by MOL, one of the four Guarantors of the Bond Issue. All of the Guarantors are owned, in varying proportions, by Daragon Limited (C 2562), Demoncada Limited (C 2577), Mr Maurice F. Mizzi, Demoncada Holdings Ltd (C 3858) and Investors Limited (C 26602).

2.1.4 Major Shareholders of the Issuer

The Issuer's majority shareholder is MOL which holds 99.92% of the issued share capital of the Issuer. MOL is, in turn, held by Daragon Limited (C 2562), Demoncada Limited (C 2577) and Mr Maurice F. Mizzi (each holding approximately 33.3%).

2.1.5 Key Managing Directors

The board of Directors of the Issuer is composed of the following persons: Brian R. Mizzi (Executive Director), Kenneth C. Mizzi (Executive Director), Maurice F. Mizzi (Executive Director), Joseph M. Galea (Independent Non-Executive Director), Carmel J. Farrugia (Independent Non-Executive Director) and Kevin Rapinett (Independent Non-Executive Director).

2.1.6 Statutory Auditors

The auditors of the Issuer as of the date of this Summary and for the financial years ended 2018, 2019 and 2020 are PricewaterhouseCoopers of 78, Mill Street, Qormi QRM 3101, Malta. The Accountancy Board registration number of PricewaterhouseCoopers is AB/26/84/38.

2.2 What is the key financial information regarding the Issuer?

The key financial information regarding the Issuer is set out below:

Amounts in €'000s	FY2020	FY2019	FY2018
Operating profit/(loss)	(10)	(10)	(10)
Net financial debt	171	183	212
Cash flows from operating activities	(41)	(4)	(52)
Cash flows from financing activities	N/a	N/a	N/a
Cash flows from investing activities	30	25	0

2.3 What are the key risks that are specific to the Issuer?

The most material risk factors specific to the Issuer, which may negatively impact the operations and financial position of the Issuer should the circumstances mentioned therein materialise, are as follows:

2.3.1 The Issuer is dependent on the performance of companies forming part of the Mizzi Organisation for the repayment of loans.

The Issuer does not carry out any trading activities of its own and its sole purpose is to raise funds in the capital markets for the purpose of on-lending the said funds to companies forming part of the Mizzi Organisation. The sole asset of the Issuer consists in loans granted to companies forming part of the Mizzi Organisation. For this reason, the only revenue generating activities of the Issuer is the receipt of principal and interest income received on the said loans. Accordingly, the Issuer is economically dependent on the operational results, the financial position and the financial performance of companies forming part of the Mizzi Organisation to which it provides financing. The underperformance of any of the said borrowing companies may have an adverse effect on the performance of the Issuer which, in turn, may affect its ability to service payments under the Bonds of both principal and interest.

3. Key Information on the Securities

3.1 What are the main features of the securities?

The Bonds are being issued in an aggregate amount of up to €45,000,000 with a nominal value of €100 per Bond issued and redeemable at par and redeemable on 20 October 2031 or, at the sole option of the Issuer, any date falling between 15 October 2028 and 14 October 2031. The Bonds bear interest at the rate of 3.65% per annum on the nominal value of the Bonds.

The Bonds shall be issued in fully registered and dematerialised form and shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Bonds shall have the following ISIN: MT0000211228. The Bonds shall be freely transferable.

The Bonds constitute the general, direct, unconditional, and unsecured obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount by the Guarantors on a joint and several basis. The Bonds shall at all times rank *pari passu* without any priority or preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such obligations as may be mandatorily preferred by law, at all times rank at least equally with all the Issuer's present and future unsecured and unsubordinated obligations.

There are no special rights attached to the Bonds other than the right of the Bondholders to (i) attend, participate in and vote at meetings of Bondholders in accordance with the terms and conditions of the Bonds; (ii) payment of capital and interest in accordance with the ranking of the Bonds; (iii) the benefit of the Guarantee (as detailed in section 3.3); and (iv) such other rights attached to the Bonds emanating from the Securities Note.

3.2 Where will the securities be traded?

Application has been made to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List.

3.3 Is there a guarantee attached to the securities?

The Bonds are guaranteed by the Guarantors on a joint and several basis (the “**Guarantee**”). Accordingly, the Bondholders shall be entitled to request the Guarantors to pay both the interest due and the principal amount under said Bonds on first demand (subject to the terms of the Guarantee) if the Issuer fails to meet any amount, when due in terms of the Prospectus. The joint and several Guarantee also entitles the Bondholders to demand payment from any or all the Guarantors without having to first take action against the Issuer.

3.4 The Guarantors

The Guarantors are: (i) Mizzi Organisation Limited (C 813) (“**MOL**”); (ii) Consolidated Holdings Limited (C 1192) (“**CHL**”); (iii) The General Soft Drinks Company Limited (C 1591) (“**GSD**”); and (iv) GSD Marketing Limited (C 3774) (“**GSDM**”).

MOL was established on 7 April 1967 as a private limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta) with company registration number C 813. The LEI of MOL is 2138003UBN30WKRV7Q78. MOL is the finance company of the Mizzi Organisation, responsible for performing a treasury function therein. Its subsidiaries operate principally within the automotive, retail, real estate, and mechanical and engineering services sectors.

CHL was established on 26 July 1968 as a private limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta) with company registration number C 1192. The LEI of CHL is 485100SLWFPDEVPL9J42. CHL and its Subsidiaries operate principally within the hospitality sector.

GSD was established on 6 May 1969 as a private limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta) having company registration number C 1591. The LEI of GSD is 213800LU4WKKSGLD5M41. GSD operates within the beverage sector.

GSDM was established on 5 September 1977 as a private limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta) having company registration number C 3774. The LEI of GSDM is 485100R03X666K6N8869. GSDM operates within the beverage sector.

The key financial information pertaining to the Issuer and the Guarantors for the financial periods ended 31 December 2018, 31 December 2019 and 31 December 2020 is set out below on a combined basis:

Amounts in €'000s	FY2020	FY2019	FY2018
Operating profit/loss	(3,485)	8,635	7,990
Net financial debt	111,310	106,917	96,423
Cash flows from operating activities	13,373	14,004	7,845
Cash flows from financing activities	(1,841)	(6,356)	6,963
Cash flows from investing activities	(13,917)	2,233	(18,903)

3.5 Key risks that are specific to the Guarantors and the Guarantee

3.5.1 Risks relating to the business of the Guarantors

The Guarantors have a diversified business portfolio and either directly, or through their Subsidiaries, operate in multiple sectors. Each sector is susceptible to certain risks and therefore, should any of such risks materialise, they would have a material adverse effect on the ability of each of the Guarantors to satisfy their obligations under the Guarantee. Moreover, whilst certain Guarantors such as GSD and GSDM do not have any Subsidiaries, CHL and MOL are both holding companies and thus their financial position is in turn contingent on the financial position of their Subsidiaries.

The most material risk factors specific to the Guarantors and their Subsidiaries, which may negatively impact the operations and financial position of the Guarantors should the circumstances mentioned therein materialise, are as follows:

3.5.1.1 Risks relating to the COVID-19 pandemic

As at the date of this Prospectus, the main business elements of the operations of the Guarantors and their Subsidiaries were impacted by the COVID-19 pandemic. The full impact of the COVID-19 pandemic on a Guarantor’s and, or its Subsidiaries’ business will depend on a range of factors which the Issuer is not able to accurately predict as at the date of this Prospectus, including, albeit not limited to, the duration and scope of the pandemic, the impact of new COVID-19

variants and the impact on economic activity, any of which may have a negative impact on Mizzi Organisation's suppliers and customers, or the economy as a whole, and could, in turn, decrease demand for the Mizzi Organisation's products and services offered through the Guarantors or their Subsidiaries.

3.5.1.2 Risks relating to the financing of the Mizzi Organisation

The Guarantors' and their Subsidiaries' indebtedness could adversely affect their financial position. A number of companies forming part of the Mizzi Organisation have bank debt and, or are expected to incur additional debt in connection with their future growth strategy. A substantial portion of the cash flow generated from the companies forming part of the Mizzi Organisation is utilised to repay their debt obligations pursuant to the terms of the facilities provided. Should the Guarantors or their Subsidiaries significantly increase their debt obligations, this may have an adverse effect on the profitability of the Guarantors or their Subsidiaries. Moreover, the agreements regulating the bank debt of the companies forming part of the Mizzi Organisation impose significant financial covenants on the said companies, whether they act in the capacity as borrowers or guarantors under the respective loan agreements. These covenants could limit the ability of the said companies to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities. The terms of such agreements as well as changes in banking risk appetite may prevent the Guarantors and, or their Subsidiaries from obtaining the capital and financing they require for the continued operation of their business and the completion of major projects on commercially viable terms, or at all.

3.5.1.3 Risks relating to the distribution and franchise agreements and relations with suppliers and agents

The Guarantors' operations in the automotive, beverage, retail sector and mechanical and engineering contracting services are dependent on franchise, distributor and supply agreements entered into with international brand owners and manufacturers. The continued distribution of products is therefore largely contingent on the strength of its relationships with its existing franchisors, distributors and suppliers and therefore, any deterioration or change in such relationships for any reason whatsoever could potentially have an adverse effect on the profitability of the respective operating company.

Some of the franchise and distributor agreements which certain companies within the Mizzi Organisation rely on for their operations may be terminated by notice and, or are due to terminate in the short term, albeit subject to renewal. Should any of the franchise agreements be terminated, not be renewed, or be renewed on less favourable terms, the profitability and financial condition of the Guarantors may be adversely affected.

3.5.1.4 Risks relating to changes in consumer preferences and demand

The Guarantors' success in the sectors in which they operate is dependent on their ability to manufacture and, or offer products that have a strong consumer appeal. Such sectors are susceptible to fluctuations in consumer trends because of changes in taste, consumer habits, general economic conditions, social trends, consumer attitude, consumer satisfaction and any other similar factors which are linked to consumer demand. Moreover, the success of such operating companies is also dependent on their ability to swiftly anticipate, capitalise and adapt to changes in consumer attitude and preferences. Should they fail to do so, they may experience a reduction in revenue which could have a material adverse effect on their operational results and financial condition as well as the group of companies within the Mizzi Organisation, which they form part of.

3.5.1.5 Risks relating to competition

The Guarantors and their Subsidiaries face competition in all product categories and markets in which they operate. Severe competition in the relative sectors and changes in economic and market conditions could adversely affect the business and operating results of the Guarantors, as a direct result of their participation in the sector directly or through their Subsidiaries.

3.5.1.6 Risks relating to seasonality and dependence on tourism

The beverage, hospitality and food and beverage sectors are highly seasonal, with higher demand in the summer months which is attributable to an increased number of tourist arrivals in Malta and hotter temperatures. A fall in the number of tourist arrivals in Malta is likely to contribute towards a negative impact on the demand for the products offered by the Guarantors and their Subsidiaries as well as occupancy levels of the Waterfront Hotel, which is owned by WHL (a Subsidiary of CHL).

3.5.1.7 Risks relating to property development

Several companies within the Mizzi Organisation are in the course of developing and, or have plans to carry out further

property development projects. Property development projects are subject to a number of specific execution risks, including the risk of cost overruns, the risk of rental or sales transactions not being effected at the prices and within the timeframes envisaged, delays or refusal in obtaining all necessary zoning, land use, building, development, modifications, occupancy and other required permits and authorisations, amongst others. Moreover, property development is also susceptible to risks associated with the construction industry, including risks associated with the health and safety of persons engaged for the purposes of the development, such as the risk of serious injury or even fatality. If such risks were to materialise this could have a negative effect on the revenue generation, financial performance, and financial position of the Guarantor or Subsidiary executing the project.

3.5.2 Risks relating to the Guarantee

The Bonds are being guaranteed by the Guarantors on a joint and several basis. Accordingly, the Bondholders shall be entitled to request any or all of the Guarantors to pay both the interest due and the principal amount under the said Bonds on first demand (subject to the terms of the Guarantee) if the Issuer fails to meet any amount when due in terms of the Prospectus. The joint and several Guarantee also entitles the Bondholders to take action against the Guarantors without having to first take action against the Issuer. The strength of the undertakings given under the Guarantee is dependent upon, and directly linked to, the financial position and solvency of the individual Guarantors.

3.6 What are the key risks that are specific to the Securities?

3.6.1 Suitability of the Bonds

Debt instruments which may be redeemed by an issuer prior to their maturity date are considered as having an embedded call option, with the price of the bonds taking these components into account. The Bonds may be redeemed at the option of the Issuer on a Designated Early Redemption Date. In view of the early redemption component, the Bonds are complex financial instruments for the purposes of MIFID II and may not be suitable for all recipients of the Prospectus. In the event that an investor does not seek professional advice and, or does not read and fully understand the provisions of this Prospectus, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile.

3.6.2 The Bonds are redeemable at the option of the Issuer

Any or all of the Bonds may be redeemed by the Issuer on a Designated Early Redemption Date. Once the Bonds are redeemed, the relevant Bondholders shall no longer be entitled to any interest or other rights in relation to those Bonds. If Bonds are redeemed on a Designated Early Redemption Date, Bondholders would not receive the same return on investment that it would have received if they were redeemed on the Redemption Date. In addition, Bondholders may not be able to re-invest the proceeds from an early redemption at yields that would have been received had they not been redeemed. This optional redemption feature may also have a negative impact on the market value of the Bonds.

3.6.3 No prior market for the Bonds

Prior to the Bond Issue and admission to listing on the Official List, there has been no public market for the Bonds within or outside Malta. Due to the absence of any prior market for the Bonds, there can be no assurance that the price of the Bonds will correspond to the price at which the Bonds will trade in the market subsequent to the Bond Issue.

3.6.4 Orderly and liquid secondary market

The existence of an orderly and liquid market for the Bonds depends on a number of factors, including but not limited to the presence of willing buyers and sellers of the Bonds at any given time and the general economic conditions in the market in which the Bonds are traded. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control. The emergence of the COVID-19 pandemic in Q1 2020 has manifested in a highly volatile economy with the magnitude of the downturn in terms of depth and duration particularly uncertain across the globe. There can be no assurance that continued or increased volatility and disruption in the capital markets will not impair the saleability of the Bonds. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to trade in the Bonds at all.

3.6.5 Amendments to the Terms and Conditions of the Bonds

In the event that the Issuer wishes to amend any of the Terms and Conditions of the Bonds, it may call a meeting of Bondholders. Defined majorities of Bondholders may bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. Moreover, this must be considered in light of the power of each Guarantor to veto any changes to the Terms and Conditions of the Bonds which are issued with the benefit of its Guarantee.

4. Key Information on the Offer of Securities to the Public and the Admission to Trading on a Regulated Market

4.1 Under which conditions and timetable can I invest in this security?

Application for the Bonds

Preferred Applicants may subscribe for Bonds by submitting an Application Form to an Authorised Financial Intermediary by latest 14:00 hours on 8 October 2021, together with payment of the full price of the Bonds applied for.

Pursuant to the Placement Agreements, PAFIs (either in their own name or in the name of underlying clients) must provide details of Applicants representing the amount they have been allocated in terms of the respective Placement Agreement by completing a data file as provided by the Registrar by latest 14:00 hours on 8 October 2021, accompanied by full payment.

Pursuant to the subscription agreements submitted by Authorised Financial Intermediaries in connection with the Intermediaries' Offer, Authorised Financial Intermediaries (either in their own name or in the name of underlying clients) must provide details of Applicants representing the amount they have been allocated in terms of the respective subscription agreement, by completing a data file as provided by the Registrar by latest 12:00 hours on 12 October 2021.

Expected Timetable

1. Application Forms available to Preferred Applicants from the Issuer's office	29 September 2021
2. Offer Period for Preferred Applicants	4 October 2021 to 8 October 2021, both days included
3. Placement Date	8 October 2021
4. Intermediaries' Offer Date	8 October 2021
5. Commencement of interest on the Bonds	15 October 2021
6. Announcement of basis of acceptance	15 October 2021
7. Refunds of unallocated monies (if any) and dispatch of allotment letters	22 October 2021
8. Expected date of admission of the securities to listing	22 October 2021
9. Expected date of commencement of trading in the securities	25 October 2021

Plan of Distribution, Allotment and Allocation Policy

The Bond Issue is open for subscription to all categories of investors as detailed hereunder and the Issuer shall allocate the Bonds on the basis of the following policy and order of priority:

- i. the amount of €25 million in nominal value of the Bonds has been reserved for, and shall be allocated to, the PAFIs in accordance with Placement Agreements with the Issuer;
- ii. the amount of up to €5 million in nominal value of the Bonds has been reserved for allocation to Preferred Applicants; and
- iii. the remaining balance of €15 million in nominal value of the Bonds, together with any of the Bonds reserved for, and not taken up by, Preferred Applicants in terms of point (ii) above, shall be allocated to Authorised Financial Intermediaries pursuant to the Intermediaries' Offer. The Issuer undertakes to allocate to each of the Authorised Financial Intermediaries subscribing for Bonds pursuant to the Intermediaries' Offer, a minimum allocation of €2 million in Bonds, subject to increase in case of subscription by the Preferred Applicants for less than €5 million in Bonds or by any of the Authorised Financial Intermediaries for less than €2 million in Bonds.

Adjustments to the allocations specified in points (ii) and (iii) above may apply depending on whether Applications by Preferred Applicants and, or subscription agreements by Authorised Financial Intermediaries participating in the Intermediaries' Offer shall exceed and, or fall below the abovementioned allocations, in accordance with the allocation policy of the Issuer.

The issue and allotment of the Bonds is conditional upon the Bonds being admitted to the Official List of the MSE by no later than 22 October 2021. In the event that the said condition is not satisfied within 15 Business Days from the closing

of the Offer Period, the Intermediaries' Offer Date and Placement Date, any Application monies will be returned without interest by direct credit into the Applicant's bank account.

The Issuer shall announce the result of the Bond Issue by not later than 15 October 2021.

Total Estimated Expenses

Professional fees, and costs related to publicity, advertising, printing, listing, registration, Sponsor, management, Registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €1,000,000 in aggregate. There is no particular order of priority with respect to the payment of such expenses.

4.2 Why is this Prospectus being produced?

Use and Estimated net amount of proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €44 million, shall be used by the Issuer for the following purposes, in the amounts and order of priority set out below:

- i. approximately €25 million of the net bond proceeds from the Bonds shall be used to part refinance existing bank debt of the Mizzi Organisation as detailed hereunder:
 - a. the amount of approximately €16.7 million shall be used to refinance bank debt of MOL, specifically, facilities made available by HSBC Bank Malta p.l.c for the purpose of, *inter alia*, meeting financing requirements of the Mizzi Organisation; and
 - b. the amount of approximately €8.3 million shall be used to refinance bank debt of AML, specifically, facilities made available by Bank of Valletta p.l.c for the purpose of, *inter alia*, financing capital expenditure and works relating to *Is-Suq tal-Belt* and settling current trade creditor balances.
- ii. approximately €5 million shall be used for the partial financing of the Hofra Project as detailed hereunder:
 - a. the amount of €4.3 million shall be used to part finance phase 2 and phase 3 of the Hofra Project; and
 - b. the amount of €0.7 million shall be used to part finance the repayment of an intra-group loan agreement advanced by MOL to IML for the purposes of part financing phase 1 of the Hofra Project.
- iii. approximately €3 million shall be used for the partial financing of the Arkadia Refurbishment.
- iv. approximately €11 million, together with any residual amounts not utilised for the purposes identified in paragraphs (i) – (iii) above, shall be utilised for general corporate funding purposes of the Mizzi Organisation.

In the event that the Bond Issue is not fully taken up, the Issuer shall issue Bonds up to the amount subscribed for and the proceeds from the Placement Agreements shall be used for the purpose set out in (i) above, and any excess shall be applied in part settlement of the purposes set out in (ii) - (iv) above, in the order of priority indicated above.

The Issuer shall lend the net proceeds of the Bonds to MOL, in its capacity as the finance company of the Mizzi Organisation, which shall subsequently on-lend such proceeds to companies forming part of the Mizzi Organisation for the purposes described above. These loan agreements are conditional upon, *inter alia*, the issue and allotment of the Bonds, which in turn is conditional upon the Bonds being admitted to the Official List.

In the event that this condition is not satisfied, the Issuer shall, through the Registrar and, or the Authorised Financial Intermediaries (as applicable), return the proceeds of the Bond Issue to the Bondholders.

Underwriting

The Bond Issue is not subject to an underwriting agreement on a firm commitment basis.

Conflicts of interest

Save for the subscription for the Bonds by Authorised Financial Intermediaries and the commissions payable thereto, and any fees payable in connection with the Bond Issue to the advisers to the Issuer, so far as the Issuer is aware, no person involved in the Bond Issue has an interest material to the Bond Issue.