

SUMMARY

Dated 5 December 2022

This Summary is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the Malta Financial Services Authority and of the Prospectus Regulation.

In respect of an issue of €17,000,000 6% Unsecured Bonds 2033
of a nominal value of €100 per Bond issued at par by



PHARMACARE FINANCE PLC

a public limited liability company registered in Malta
with company registration number C 86057

GUARANTEED* by Pharmacare Premium Limited (C 45245)

ISIN: MT0002011212

**Prospective investors are to refer to the Guarantee contained in Annex I of the Securities Note forming part of the Prospectus for a description of the scope, nature and terms of the Guarantee. Reference should also be made to the sections entitled "Risk Factors" contained in the Prospectus for a discussion of certain risk factors which should be considered by prospective investors in connection with the Bonds and the Guarantee provided by the Guarantor.*

Legal Counsel



Sponsor, Manager & Registrar



THIS SUMMARY HAS BEEN APPROVED BY THE MFSA AS THE COMPETENT AUTHORITY IN MALTA UNDER THE PROSPECTUS REGULATION. THE MFSA ONLY APPROVES 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/OR THE SECURITIES THAT ARE THE SUBJECT OF THIS SUMMARY.

THIS SUMMARY IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. 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 DIRECTORS

Handwritten signature of Hani Sarraf in blue ink.

Hani Sarraf

Handwritten signature of Amin Farah in blue ink.

Amin Farah

In their capacity as Directors of the Company and for and on behalf of Bassim S.F. Khoury Nasr, Marisa Tanti, Mark Vassallo and Louis Borg Manché.

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 will enable investors to understand the nature and the risks associated with the Issuer, the Guarantor and the Bonds.

Except where the context otherwise requires or where otherwise defined herein, the capitalised words and expressions used in this Summary shall bear the meanings assigned thereto in the Registration Document and the Securities Note, respectively, as the case may be.

1 INTRODUCTION AND WARNINGS

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

Issuer	Pharmacare Finance plc, a public limited liability company registered and existing under the laws of Malta with company registration number C 86057 and having legal entity identifier number (LEI) 3912000DA1RYUCTZQQ72
Address	HHF 003, Hal Far Industrial Estate, Hal Far, Birzebbugia BBG 3000, Malta
Telephone number	+356 22230000
Website	www.pharmacarefinance.com
Guarantor	Pharmacare Premium Limited (C 45245)
Nature of the securities	Unsecured Bonds up to a maximum amount of €17,000,000, bearing an interest rate of 6% <i>per annum</i> , payable annually in arrears on 3 February of each year until 3 February 2033
ISIN of the Bonds	MT0002011212
Competent authority approving the Prospectus	The Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Chapter 330 of the laws of Malta). The MFSA only approves the Prospectus 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 Issuer
Address, telephone number and official website of the competent authority approving the Prospectus	Malta Financial Services Authority, Triq I-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta. The telephone number of the competent authority is +356 21441155. The official website of the competent authority is https://www.mfsa.mt/
Prospectus approval date	5 December 2022

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, the Guarantor 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 alone 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 securities should be based on consideration of the Prospectus as a whole by the investor;
- iii. an investor may lose all or part of the capital invested by 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 this Summary, but only if this 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 such securities.

2 KEY INFORMATION ON THE ISSUER

2.1 Who is the Issuer of the Bonds?

2.1.1 Domicile and Legal Form, LEI and Country of Incorporation of the Issuer

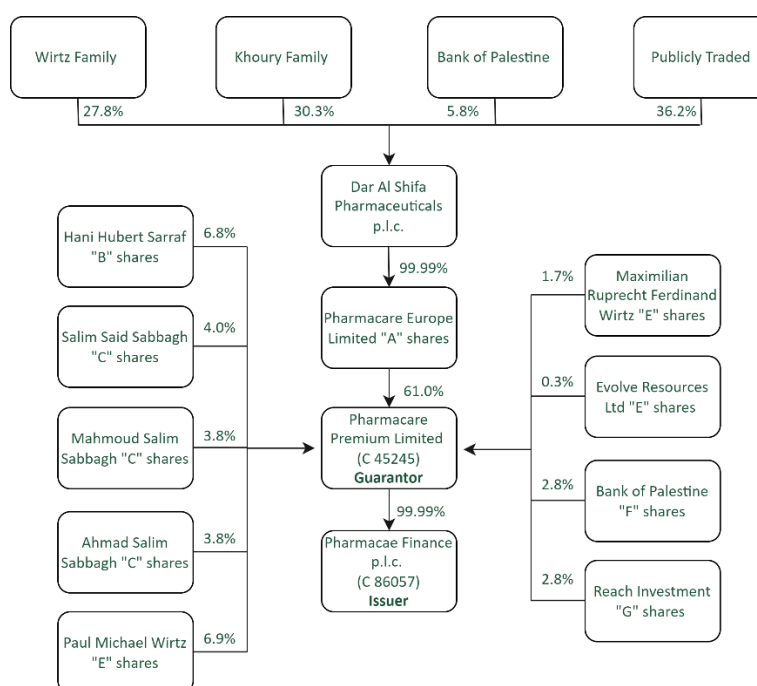
The Issuer is Pharmacare Finance plc, a public limited liability company registered and existing under the laws of Malta with company registration number C 86057 and having its registered office at HHF 003, Hal Far Industrial Estate, Hal Far, Birzebbugia BBG 3000, Malta. The Issuer is incorporated and is domiciled in Malta. Its LEI number is 3912000DA1RYUCTZQQ72.

2.1.2 Principal Activities of the Issuer

The Issuer was registered in Malta as a public limited liability company on 30 April 2018 and is domiciled in Malta. The principal object of the Issuer, which was set up and established to act as the finance company of the Group, is to carry on the business of a finance and investment company in connection with the ownership, development, operation and financing of the business activities of the Group, whether in Malta or overseas. The issue of bonds falls within the objects of the Issuer. The Issuer's intended purpose is to raise finance for the business of the Guarantor. In this respect, the Issuer is mainly dependent on the business prospects of the Guarantor. The Issuer operates exclusively in and from Malta.

2.1.3 Major Shareholders

The authorised and issued share capital of the Issuer is €250,000 divided into 250,000 ordinary shares of a nominal value of €1 each, all being fully paid-up and subscribed for, allotted and taken up by the Guarantor, other than 1 ordinary share which is subscribed for, allotted and taken up by Bassim S.F. Khoury Nasr (Passport No. T1106264).



2.1.4 Directors of the Issuer

As at the date of the Prospectus, the Board of Directors of the Issuer is composed of the following 6 individuals: Mr Bassim S.F. Khoury Nasr (Executive Director and Chairman), Mr Amin Farah (Executive Director), Mr Hani Sarraf (Executive Director), Mr Louis Borg Manché (Independent, non-Executive Director), Ms Marisa Tanti (Independent, non-Executive Director) and Mr Mark Vassallo (Independent, non-Executive Director).

2.1.5 Statutory Auditors

The annual statutory financial statements of each of the Issuer and the Guarantor for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021 have been audited by Baker Tilly Malta (accountancy board registration number AB/26/84/28). Baker Tilly Malta is a firm of certified public accountants holding a warrant to practice the profession of accountant and a practicing certificate to act as auditors in terms of the Accountancy Profession Act (Chapter 281 of the laws of Malta).

2.2 What is the key financial information regarding the Issuer?

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

Pharmacare Finance plc.

Summary of key financial information

€000	31 Dec 2021	31 Dec 2020	31 Dec 2019	30 Jun 2022	30 Jun 2021
Statement of Comprehensive Income					
Finance income	338	334	334	194	166
Profit / (loss) before taxation	-	(4)	9	27	(2)
Statement of Financial Position					
Total assets	5,026	5,006	4,980	5,187	
Statement of Cash Flows					
Net cash generated from/(used in) operating activities	-	(23)	(20)	5	2
Net cash generated from/(used in) financing activities	-	23	(27)	-	-

2.3 What are the key risks 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 set out below:

2.3.1 Risks relating to Issuer's exposure to and dependence on the Group and its business

The Issuer itself does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company solely for the purpose of part-financing the needs of the Group. The Issuer is dependent on the business prospects of the Group and, consequently, the operating results of the Group have a direct effect on the Issuer's financial position. Therefore, the risks intrinsic in the business and operations of Group companies have a direct effect on the ability of the Issuer to meet its Bond Obligations. Accordingly, the risks of the Issuer are indirectly those of the Group and, in turn, all risks relating to the Group are the risks relevant to the Issuer.

2.3.2 Business and industry risk

The pharmaceutical products commercialized by the Guarantor may not perform as expected, which could adversely affect the business, financial condition and operational results of the Group. The success of the Group depends significantly on its ability to commercialize the products developed by the Guarantor. In order to develop a commercially viable product, the Group must demonstrate, through extensive trials, that the products are safe and effective for use. Products undergoing development and testing may not perform as expected during testing, necessary regulatory approvals may not be obtained in a timely manner, if at all, and the Group may not be able to successfully and profitably produce and market such products.

2.3.3 Product liability claims could adversely affect the Group's business, results of operations and financial condition

Product liability is a significant risk for any pharmaceutical company and the Group's product liability exposure could increase, given that liability claims relating to its businesses may differ with regard to their nature, scope and level. Substantial damages have been awarded by some jurisdictions and/or settlements agreed against pharmaceutical companies based on claims for injuries allegedly caused by the use of their products. Such claims can also lead to products recalls, withdrawals or declining sales, and/or be accompanied by consumer fraud claims by customers, third-party payers seeking reimbursement of the cost of the product and/or other claims.

2.3.4 Operational risk

The success of the Group's manufacturing activities depends on, *inter alia*, the productivity of the workforce, compliance with regulatory requirements and the continued functioning of the Group's manufacturing processes and machinery. Disruptions in the manufacturing activities could delay production or require the shutdown of the affected manufacturing facility. Such an event will result in the Group being unable to meet its contractual commitments, which will have an adverse effect on operational results and the Group's financial condition.

3 KEY INFORMATION ON THE BONDS

3.1 What are the main features of the securities?

The key features of the Bonds are set out below:

Each Bond forms part of a duly authorised issue of 6% unsecured bonds 2033 of a nominal value of €100 per Bond issued by the Issuer at par up to the principal amount of €17 million. The Issue Date of the Bonds is expected to be 3 February 2023. The Bonds are unsecured but guaranteed by Pharmacare Premium Limited.

The currency of the Bonds is Euro (€).

Subject to admission to listing of the Bonds to the Official List, the Bonds are expected to be assigned ISIN: MT0002011212.

The Bonds are redeemable on 3 February 2033. The Bonds shall bear interest from and including 3 February 2023 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 February 2024, covering the period 3 February 2023 up to and including 2 February 2024.

The Bonds, as and when issued and allotted, shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall be guaranteed jointly and severally by the Guarantor in respect of both the interest due and the principal amount under said Bonds. The Bonds 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.

The minimum subscription amount of Bonds that can be subscribed for by Applicants upon subscription is €1,000, and in multiples of €100 thereafter.

Should subscriptions for a total of at least €12,600,000 (the “Minimum Amount”) not be received, no allotment of the Bonds shall be made, the Applications for Bonds shall be deemed not to have been accepted by the Issuer and all money received from Authorised Intermediaries shall be returned by the Issuer. In the event that the Minimum Amount is reached but the Bond Issue is not fully subscribed, the Issuer will proceed with the allotment and listing of the amount of Bonds subscribed for.

There are no special rights attached to the Bonds other than the right of the Bondholders to payment of interest and capital, seeking recourse from the Guarantor pursuant to the Guarantee in case of failure by the Issuer to pay any sum payable by it to Bondholders, and in accordance with the ranking specified in the Prospectus.

The Bonds are freely transferable and, once admitted to the Official List of the MSE, shall be transferable only in whole (in multiples of €100) in accordance with the rules and regulations of the MSE applicable from time to time. The minimum subscription amount of €1,000 shall only apply during the Issue Period. No minimum holding requirement shall be applicable once the Bonds are admitted to listing on the Official List and commence trading thereafter, subject to trading in multiples of €100.

The Issuer shall be obtaining the approval of the Existing Pharmacare Prospects MTF Bondholders¹ for the early redemption of the 2018 Prospects MTF Bonds² pursuant to a meeting called for the purpose in terms of the Company Admission Document dated 17 October 2018. The proposal for the early redemption of the 2018 Prospects MTF Bonds placed before the Existing Pharmacare Prospects MTF Bondholders’ meeting shall only be considered approved if at least 60% in nominal value of the Existing Pharmacare Prospects MTF Bondholders present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.

Upon redemption of the 2018 Prospects MTF Bonds, all Existing Pharmacare Prospects MTF Bondholders will be afforded a premium in the form of payment of a redemption price of one Euro (€1.00) per 2018 Prospects MTF

¹ ‘Existing Pharmacare Prospects MTF Bondholders’ refers to holders of the 2018 Prospects MTF Bonds appearing on the applicable register held at the Central Securities Depository as at close of business on 20 December 2022, trading session of 16 December 2022.

² ‘2018 Prospects MTF Bonds’ refers to the €5,000,000 5.75% unsecured bonds 2025-2028 (ISIN: MT0002011204) issued by the Issuer pursuant to a company admission document dated 17 October 2018, guaranteed by Pharmacare Premium Limited, which are listed and trading on the Prospects MTF List of the Malta Stock Exchange.

Bond held as at the Cut-Off Date (the “Redemption Premium”). Existing Pharmacare Prospects MTF Bondholders will have the Redemption Premium settled in cash upon redemption of the 2018 Prospects MTF Bonds (by direct credit into the Existing Pharmacare Prospects MTF Bondholder’s bank account).

3.2 Where will the securities be traded?

Application has been made to the Malta Stock Exchange for the Bonds being issued pursuant to the Prospectus to be listed and traded on its Official List. The Bonds are expected to be admitted to the Official List with effect from 3 February 2023 and trading is expected to commence on 6 February 2023. Dealing may commence prior to notification of the amount allotted being issued to Applicants.

3.3 Is there a guarantee attached to the securities?

The Bonds are guaranteed by the Guarantor, Pharmacare Premium Limited (C 45245). The Guarantor guarantees the due and punctual performance of all the obligations undertaken by the Issuer under the Bonds and, without prejudice to the generality of the foregoing, undertakes to pay all amounts of principal and interest which have become due and payable by the Issuer to Bondholders under the Bonds, within sixty (60) days from the date such amount falls due and remains unpaid by the Issuer.

3.3.1 Domicile and Legal Form, LEI and County of Incorporation of the Guarantor

Pharmacare Premium Limited is a private company registered under the laws of Malta with company registration number C 45245 and having its registered office HHF 003, Hal Far Industrial Estate, Hal Far, Birzebbugia BBG 3000, Malta. Its LEI number is 39120091BMGNR82X4H18.

3.3.2 Key Financial Information of the Guarantor

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

Pharmacare Premium Limited Summary of key financial information

€000	31 Dec 2021	31 Dec 2020	31 Dec 2019	30 Jun 2022	30 Jun 2021
Statement of Comprehensive Income					
Revenue	6,180	4,083	2,263	3,789	2,213
Profit / (loss) before taxation	124	(2,053)	(3,743)	(616)	(1,088)
Statement of Financial Position					
Total assets	34,244	29,672	28,725	35,005	
Statement of Cash Flows					
Net cash generated from/(used in) operating activities	(85)	(1,582)	(2,356)	(856)	(495)
Net cash generated from/(used in) investing activities	(2,522)	(1,812)	(2,824)	(1,136)	(923)
Net cash generated from/(used in) financing activities	1,908	2,356	3,676	1,191	(234)

3.3.3 Key risks specific to the Guarantor

The risks of the Issuer are indirectly those of the Group and, in turn, all risks relating to the Group, including the Guarantor, are the risks relevant to the Issuer as detailed in sub-section 2.3 of this Summary.

3.4 What are the key risks that are specific to the Bonds?

The most material risk factors specific to the Bonds are set out below:

- There can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. There can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price, or at all.
- Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.
- The MFSA has the authority to suspend trading or listing of the Bonds or discontinue the listing of the Bonds on the Official List if, *inter alia*, it comes to believe that such a suspension is required for the protection of investors or the integrity or reputation of the market. Any such trading suspensions or listing revocations / discontinuations could have a material adverse effect on the liquidity and value of the Bonds.

4 KEY INFORMATION ON THE OFFER OF THE BONDS AND ADMISSION TO TRADING

4.1 UNDER WHICH CONDITIONS AND TIMETABLE CAN I INVEST IN THESE BONDS?

The issue and allotment of the Bonds is conditional upon: (i) the Minimum Amount of €12,600,000 being subscribed for; (ii) the Guarantee being granted in terms of Annex 1 to the Securities Note; (iii) the Issuer obtaining the approval of the Existing Pharmacare Prospects MTF Bondholders for the early redemption of the 2018 Prospects MTF Bonds pursuant to a meeting called for the purpose in terms of the Company Admission Document dated 17 October 2018, as well as the written approval of the MSE; and (iv) the Bonds being admitted to the Official List. In the event that any one or more of the aforesaid conditions is not satisfied the Sponsor, Manager & Registrar shall return the proceeds of the Bond Issue to Applicants.

4.1.1 Expected Timetable of Principal Events

1	Meeting of Existing Pharmacare Prospects MTF Bondholders	4 January 2023
2	Subscription by Existing Pharmacare Prospects MTF Bondholders and Intermediaries' Offer*	4 January 2023 – 20 January 2023 at 12:00 CET
3	Announcement of basis of acceptance through a company announcement	27 January 2023
4	Refunds of unallocated monies, if any	3 February 2023
5	Dispatch of allotment letters	3 February 2023
6	Expected date of early redemption of the 2018 Prospects MTF Bonds	3 February 2023
7	Expected date of admission of the Bonds to listing	3 February 2023
8	Issue date of the Bonds	3 February 2023
9	Expected date of commencement of trading in the Bonds	6 February 2023
10	Commencement of interest	3 February 2023

* The Company reserves the right to close the Issue Period before 20 January 2023 at 12:00 hours CET in the event that (i) all Existing Pharmacare Prospects MTF Bondholders have tendered their subscription preference relative to the application for Bonds by way of 2018 Prospects MTF Bond Transfer or have signalled their intention not to elect to avail themselves of the said possibility to exchange their investment in the 2018 Prospects MTF Bonds for an investment in the Bonds, in either case in accordance with the terms of the Prospectus, and (ii) the Bonds are fully subscribed prior to said date and time. In the eventuality that the Issue Period is closed early as aforesaid, some of the events set out above may be brought forward and the Issuer will issue a company announcement accordingly.

4.1.2 Allocation Policy

The Issuer shall allocate the Bonds on the basis of the following policy and order of priority:

- i. first to Existing Pharmacare Prospects MTF Bondholders applying for Bonds by way of 2018 Prospects MTF Bond Transfer (and subject to any Cash Top-Up as and if applicable)³, and subject to a minimum application of €1,000;
- ii. the balance of the Bonds not subscribed for by Existing Pharmacare Prospects MTF Bondholders limitedly by means of a 2018 Prospects MTF Bond Transfer (and subject to any Cash Top-Up as and if applicable), shall be made available for subscription to Existing Pharmacare Prospects MTF Bondholders in respect of any additional Bonds applied for other than by 2018 Prospects MTF Bond Transfer exceeding in value the aggregate nominal value of 2018 Prospects MTF Bonds held by them as at the Cut-Off Date, without priority or preference between them and together with subscriptions received from Authorised Intermediaries participating in the Intermediaries' Offer and in accordance with the allocation policy as determined by the Issuer. Accordingly, in the event that an Existing Pharmacare Prospects MTF Bondholder applies for additional Bonds other than by way of 2018 Prospects MTF Bond Transfer as specified in (i) above, no preference or guarantee shall be given with respect to the amount

³ Existing Pharmacare Prospects MTF Bondholders applying for Bonds may elect to settle all or part of the amount due on the Bonds applied for by the transfer to the Issuer of 2018 Prospects MTF Bonds at par value, subject to a minimum application of €1,000 in Bonds. Any Existing Pharmacare Prospects MTF Bondholders whose holding in 2018 Prospects MTF Bonds is less than €1,000 shall be required to pay the difference together with the submission of their application ("Cash Top-Up").

- of Bonds to be allocated to the excess Bonds applied for by such Existing Pharmacare Prospects MTF Bondholder; and
- iii. the Issuer shall offer remaining Bonds not subscribed for by Existing Pharmacare Prospects MTF Bondholders limitedly by means of a 2018 Prospects MTF Bond Transfer (and subject to any Cash Top-Up as and if applicable) to Authorised Intermediaries through an Intermediaries' Offer, to be allocated *pari passu* together with additional Bonds applied for by Existing Pharmacare Prospects MTF Bondholders other than by 2018 Prospects MTF Bond Transfer exceeding in value the aggregate nominal value of 2018 Prospects MTF Bonds held by them as at the Cut-Off Date, including Cash Top-Up (where applicable). Subscription agreements received from Authorised Intermediaries through an Intermediaries' Offer, if any, shall be allocated without priority or preference and in accordance with the allocation policy as determined by the Issuer, acting through the Registrar, which will be communicated by latest 26 January 2023. Any amounts unallocated in terms of the subscription agreements shall be returned to the respective Authorised Intermediary by direct credit to the account indicated in the respective subscription agreement by latest close of business on 3 February 2023.

4.2 WHY IS THIS PROSPECTUS BEING PRODUCED?

4.2.1 Use of Proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €16,650,000, will be on-lent by the Issuer to the Guarantor, pursuant to a loan agreement to be entered into between the Issuer and the Guarantor for the purpose, and will be utilised for the following purposes, in the following amounts and order of priority:

1. an amount of *circa* €5,200,000 of the Bond Issue net proceeds will be used by the Issuer for the redemption of the outstanding amount of 2018 Prospects MTF Bonds remaining in issue as at or about 3 February 2023 (including payment of interest thereon and of the Redemption Premium);
2. an amount of *circa* €3,600,000 of the Bond Issue net proceeds will be used for the purpose of part-financing the capacity expansion of the Group's laboratory and pilot-scale formulation within the existing facility in Hal Far, Malta and investment in property, plant and equipment ancillary to the Group's operations;
3. an amount of *circa* €3,800,000 of the Bond Issue net proceeds will be used for the purpose of part-financing further product development projects; and
4. the remaining balance of the Bond Issue net proceeds in an amount of *circa* €4,050,000 will be used for the general corporate funding purposes of the Group.

4.2.2 Underwriting

The Bond Issue is not underwritten.

4.2.3 Conflicts of Interest

Save for the possible subscription for Bonds by Authorised Intermediaries, which include the Sponsor, Manager & Registrar, and any fees payable to Calamatta Cuschieri Investment Services Limited as Sponsor, Manager & Registrar in connection with the Bond Issue, so far as the Issuer is aware no person involved in the Issue has an interest material to the Bond Issue.