

# REGISTRATION DOCUMENT

DATED 6 JUNE 2023

This document is a Registration Document issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules published by the Malta Financial Services Authority and in accordance with the provisions of the Prospectus Regulation.

By



**JUEL GROUP P.L.C.**

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA  
WITH COMPANY REGISTRATION NUMBER C 101395

**THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THIS MEANS THAT THE MALTA FINANCIAL SERVICES AUTHORITY HAS APPROVED THIS REGISTRATION DOCUMENT AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY AS PRESCRIBED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT HOWEVER BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER THAT IS THE SUBJECT OF THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MALTA FINANCIAL SERVICES AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN THE SECURED BONDS.**

**THE MALTA FINANCIAL SERVICES AUTHORITY 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 SECURED BONDS.**

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

APPROVED BY THE BOARD OF DIRECTORS

A blue ink signature of Adrian Muscat, consisting of a large, stylized initial 'A' followed by a cursive name.

Adrian Muscat

A blue ink signature of George Muscat, consisting of a large, stylized initial 'G' followed by a cursive name.

George Muscat

Signing in their own capacity as directors of the Issuer and on behalf of each of Robert C. Aquilina, Mario Camilleri, and Dennis Gravina, as their duly appointed agents.

Sponsor



Manager & Registrar



Security Trustee

EQUINOX INTERNATIONAL  
LIMITED

Legal Counsel

Dr Chris Cilia

# 1. IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON THE ISSUER AND THE GUARANTORS IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES OF THE MALTA FINANCIAL SERVICES AUTHORITY, THE ACT AND THE PROSPECTUS REGULATION.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE MALTA FINANCIAL SERVICES AUTHORITY IN SATISFACTION OF THE CAPITAL MARKETS RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE ACT.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, THE GUARANTORS, OR THEIR RESPECTIVE DIRECTORS, TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE SECURED BONDS OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT 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, THE GUARANTORS OR THEIR RESPECTIVE DIRECTORS OR ADVISERS.

**THE MALTA FINANCIAL SERVICES AUTHORITY 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.**

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURED BONDS: (I) BY ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (II) 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 SECURED BONDS 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 GUARANTORS 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.

**THIS REGISTRATION DOCUMENT 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 THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.**

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT AND ANY PERSON WISHING TO APPLY FOR ANY SECURED BONDS TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR ANY SECURED BONDS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH SECURED BONDS AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE 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 SECURED BONDS DESCRIBED IN THE 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. ACCORDINGLY, NO SECURED BONDS MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THE PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THE PROSPECTUS OR ANY SECURED BONDS MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE PROSPECTUS AND THE OFFERING AND SALE OF SECURED BONDS.

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

ALL THE ADVISERS TO THE ISSUER NAMED IN THIS REGISTRATION DOCUMENT UNDER THE HEADING “ADVISERS” IN SECTION 4.6 HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS 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 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 UNLESS SUCH CONTENTS ARE INCORPORATED BY REFERENCE INTO THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE SECURED BONDS.

**THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE SECURED BONDS OF THE ISSUER.**

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## 2. DEFINITIONS

In this Registration Document the following words and expressions shall bear the following meanings except where the context otherwise requires:

<b>ACMUS Group Limited</b>	ACMUS Group Limited, a private limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 104599, and having its registered address at Juel Group, Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta;
<b>Act or Companies Act</b>	the Companies Act (Cap. 386 of the laws of Malta);
<b>Bank of Valletta</b>	Bank of Valletta p.l.c., a public limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 2833 and having its registered address at 58, Zachary Street, Valletta VLT 1103, Malta;
<b>Birkirkara Development</b>	the development located on Triq I-Istazzjon c/w Triq Id-Dar tal-Kleru c/w, Triq Hal Qormi in Birkirkara, Malta, as further detailed in section 6.1.1. of this Registration Document;
<b>Bond Issue</b>	the issue of the Secured Bonds;
<b>Capital Markets Rules</b>	the capital markets rules issued by the Malta Financial Services Authority in terms of the Financial Markets Act;
<b>Directors or Board or Board of Directors</b>	the directors of the Issuer whose names are set out in section 4.1 of this Registration Document under the heading “ <b>Directors of the Issuer</b> ”;
<b>Euro or €</b>	the lawful currency of the Republic of Malta;
<b>Financial Markets Act</b>	the Financial Markets Act (Cap. 345 of the laws of Malta);
<b>Franchise Agreements</b>	the franchise agreements between the Franchisor (as franchisor) and the Franchisee (as franchisee) and any other agreements between the Franchisor or its affiliates on the one part and Franchisee on the other part, relating to the Hotel, further details of which are included in section 6.7 of this Registration Document;
<b>Franchisor</b>	Hyatt International (Europe Africa Middle East) LLC a limited liability company, organised and existing under the laws of Switzerland with company registration number CHE-106.692.572 and having its registered address at The Circle 09, 8058, Zürich-Airport, Switzerland;
<b>GAP Group</b>	GAP Group p.l.c. and its Subsidiaries;
<b>GAP Group Investments II</b>	GAP Group Investments (II) Limited, a private limited liability company, duly registered and validly existing under the laws of Malta bearing company registration number C 75856 and having its registered office at GAP Holdings Head Office, Censu Scerri Street, Tigne, Sliema, Malta;
<b>GAP Group p.l.c.</b>	GAP Group p.l.c., a public limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 75875 and having its registered office at GAP Holdings, Head Office, Censu Scerri Street, Tigne, Sliema, SLM, 3060, Malta;
<b>Group</b>	the Issuer and its Subsidiaries;
<b>Guarantors</b>	collectively, (i) Juel Hospitality; (ii) Juel Holdings; (iii) Muscat Holdings; and (iv) Muscat Holdings II, and the term “ <b>Guarantor</b> ” shall be construed accordingly;
<b>Hotel</b>	the hotel to be developed on the Hotel Site, to be principally identified by the brand name “HYATT CENTRIC MALTA” as further described in section 6.3 of this Registration Document;
<b>Hotel Site</b>	the portion of land, comprising both the Rocheville Site and the Sans Souci Site, in the area known as “St George’s”, in Triq Santu Wistin in Swieqi, Malta, having an approximate superficial area of 996 square metres, as further described in section 6.4 of this Registration Document;
<b>Imgarr Development</b>	the block of apartments constructed and developed over a site located on Triq San Pietru in Imgarr, Malta, as further described in section 6.1.1 of this Registration Document;
<b>Issuer</b>	Juel Group p.l.c., a public limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 101395, and having its registered address at Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta;

<b>Juel Holdings</b>	Juel Holdings Limited, a private limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 92861, and having its registered address at Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta;
<b>Juel Hospitality or Franchisee</b>	Juel Hospitality Limited, a private limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 100482, and having its registered address at Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta;
<b>Kappara Development</b>	the block of apartments constructed and developed over a site located on Triq I-Ispanjulett c/w, Triq il-Gallina in Kappara, San Gwann, Malta, as further described in section 6.1.1 of this Registration Document;
<b>Luqa Development</b>	the block of apartments and maisonettes constructed and developed over a site located on Triq I-Ahwa Vassallo in Luqa, Malta, as further described in section 6.1.1 of this Registration Document;
<b>Malta Financial Services Authority or MFSA</b>	the Malta Financial Services Authority, established in terms of the Financial Markets Act as the competent authority to approve prospectuses of any offer of securities to the public in Malta;
<b>Malta Stock Exchange or MSE</b>	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act, bearing company registration number C 42525, and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
<b>Manager &amp; Registrar or MZI</b>	M.Z. Investment Services Limited, a private limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 23936, and having its registered address at 63, MZ House, St. Rita Street, Rabat, RBT 1523, Malta;
<b>Marsascala Development I</b>	the block of apartments and maisonettes which shall be built over a site located on Triq il-Bahara c/w Triq il-Gandoffli in Marsascala, Malta, as further described in section 6.1.2 of this Registration Document;
<b>Marsascala Development II</b>	the block of apartments and maisonettes which shall be built over a site located on Triq il-Hut in Marsascala, Malta, as further described in section 6.1.2 of this Registration Document;
<b>Memorandum and Articles of Association</b>	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus. The terms “ <b>Memorandum</b> ”, “ <b>Articles</b> ” and “ <b>Articles of Association</b> ” shall be construed accordingly;
<b>Muscat Holdings</b>	Muscat Holdings Limited, a private limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 77653, and having its registered address at Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta;
<b>Muscat Holdings II</b>	Muscat Holdings (II) Limited, a private limited liability company duly registered and validly existing under the laws of Malta, bearing company registration number C 89275, and having its registered address at Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta;
<b>Naxxar Development</b>	the block of apartments developed over a site accessible from Triq I-Abate and Triq Francis Attard in Naxxar, Malta, as further described in section 6.1.1 of this Registration Document;
<b>Prospectus</b>	collectively, this Registration Document, the Securities Note and the Summary
<b>Prospectus Regulation</b>	Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and in accordance with the provisions of Commission Delegated Regulation No. 2019/979 and Commission Delegated Regulation No. 2019/980 issued thereunder;
<b>Redemption Date</b>	has the same meaning assigned to it in the Securities Note;
<b>Registration Document</b>	this document in its entirety;
<b>Rocheville Site</b>	the site over which the villa without an official number but named “Rocheville” was constructed, located on Triq Santu Wistin, in Swieqi, Malta, previously indicated as being situated in Saint Julian’s, including its relative subterrain and airspace, forming part of the Hotel Site, having an approximate superficial area of 612.12 square metres;

<b>Sans Souci Site</b>	the site over which the villa without official number but named “Sans Souci” was constructed, having a direct access onto Triq Santu Wistin, in Swieqi, Malta, previously indicated as being situated in Saint Julian’s, including its relative subterranean and airspace, forming part of the Hotel Site, having an approximate superficial area of 503.4 square metres and the divided portion of land measuring approximately 96.73 square metres located on Triq Santu Wistin, which fronts the villa named “Sans Souci”, including its overlying airspace and underlying subterranean;
<b>Secured Bonds</b>	the €32,000,000 secured bonds of a nominal value of €100 per bond payable in full upon subscription, redeemable at their nominal value on the Redemption Date and bearing interest at the rate of 5.5% per annum, as described in further detail in the Securities Note;
<b>Securities Note</b>	the securities note issued by the Issuer dated 6 June 2023, forming part of the Prospectus;
<b>Security Trustee or Trustee</b>	Equinox International Limited, a private limited liability company duly registered and validly existing under the laws of Malta, with company registration number C 29674 and having its registered office at Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta, duly authorised to act as a trustee or co-trustee in terms of article 43(3) of the Trusts and Trustees Act (Cap. 331 of the laws of Malta);
<b>Sponsor or Jesmond Mizzi</b>	Jesmond Mizzi Financial Advisors Limited, a private limited liability company duly registered and validly existing under the laws of Malta bearing company registration number C 30176 and having its registered office at 67, Flat 3, South Street, Valletta, Malta, and a member of the MSE;
<b>St. Julian’s Development</b>	the development located on Triq Guzeppi Xerri abutting on Triq Zammit Clapp in St. Julian’s, Malta, as further described in section 6.1.1 of this Registration Document;
<b>Subsidiary</b>	an entity over which the parent has control. In terms of the International Financial Reporting Standards adopted by the European Union, a group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The term “ <b>Subsidiaries</b> ” shall collectively refer to the said entities;
<b>Summary</b>	the summary issued by the Issuer dated 6 June 2023, forming part of the Prospectus;
<b>Trust Deed</b>	the trust deed entered into by and between the Issuer, the Guarantors and the Security Trustee dated 6 June 2023; and
<b>Valuation Report</b>	the property valuation report on the Hotel Site and the Hotel dated 18 May 2023 incorporated by reference in the Prospectus.

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. all references in this Registration Document to “*Malta*” shall be construed as defined in article 124 (1) of the Constitution of Malta;
- e. 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; and
- f. 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 date of this Registration Document.

### 3. RISK FACTORS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THIS PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER TWO MAIN CATEGORIES, ACCORDING TO WHETHER THE RISK FACTORS RELATE TO: (I) THE ISSUER; OR (II) THE GROUP. THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR WHICH THE DIRECTORS HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS REGISTRATION DOCUMENT. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER, THE GUARANTORS AND, OR THE GROUP, IF THE RISK FACTOR WERE TO MATERIALISE.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE GROUP'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS, AS WELL AS THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS AS AT THE DATE OF THIS REGISTRATION DOCUMENT, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER OR GROUP FACES OR COULD FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL ADVERSE IMPACT ON THE GROUP'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS.

THE PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, AND, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE SECURED BONDS ISSUED BY THE ISSUER: (I) IS NOT INTENDED TO PROVIDE THE BASIS FOR ANY CREDIT OR OTHER EVALUATION; (II) IS NOT AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER, THE DIRECTORS, ANY OF THE ADVISERS LISTED IN SECTION 4 BELOW, THE SPONSOR, OR ANY OF THE AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THE PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER, INCLUDING THE SECURED BONDS, AND, THEREFORE, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THE PROSPECTUS; AND (III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, "FORWARD LOOKING STATEMENTS".

#### 3.1 FORWARD-LOOKING STATEMENTS

Forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "projects", "anticipates", "expects", "envisages", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places within the Prospectus and include statements regarding the intentions, beliefs, or current expectations of the Issuer and, or the Directors concerning, amongst other things, the Issuer's strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may, or may not occur, in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Issuer's and, or the Group's actual operational results, financial condition and performance, and trading prospects may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the operational results, financial condition and performance, and trading prospects of the Issuer or the Group are consistent with the forward-looking statements contained in the Prospectus, those results, or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to, those factors identified under this section and elsewhere in the Prospectus.

All forward-looking statements contained in the Prospectus are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Issuer and the Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.



## 3.2 RISKS RELATING TO THE ISSUER

### 3.2.1 The Issuer is Dependent on the Performance of its Subsidiaries and Associate Companies

The Issuer is a finance and holding company of the Group and does not carry out any trading activities of its own. The Issuer is therefore economically dependent on the performance and financial position of its Subsidiaries and associate companies. In the event that any Subsidiary and, or associate company underperforms in any one or more financial year/s or otherwise experiences adverse fluctuations or volatility in cash flows, liquidity strains or other financial difficulties, such underperformance and, or adverse financial position and operational results would adversely affect the operational and financial results of the Group as a whole and consequently, that of the Issuer.

As a holding and finance company of the Group, the Issuer's only source of income is the receipt of dividends from its Subsidiaries and associate companies and payments of principal and interest under loan advancements granted to its Subsidiaries from time to time.

The distribution of dividends is dependent on the cash flows and earnings of the relevant Subsidiary and, or associate company. The underperformance of any of the Issuer's Subsidiaries and, or associate companies may impact their ability to declare dividends and, or make loan repayments, which in turn may have an adverse effect on the performance of the Issuer and its ability to service payments of principal and interest under the Secured Bonds.

## 3.3 RISKS RELATING TO THE GROUP

### 3.3.1 Economic and Financial Risks of the Group

#### *Risks relating to the financing of the Group's projects*

The Group's property development projects (described in section 6 of this Registration Document) have been part-financed through bank financing with local banks. The Group plans to incur additional debt for the purposes of financing future property development projects. Notwithstanding that the Group aims to maintain its debt-to-equity ratio at prudent levels with corresponding equity being injected at levels considered to be adequate and prudent under current banking practices, a substantial portion of the cash flow generated by the Group is utilised to repay the respective company's debt obligations pursuant to the terms of the facilities provided. Should a Group company significantly increase its debt obligations, this may have an adverse effect on the profitability of the respective company and the Group as a whole.

The agreements regulating the bank debt of the companies forming part of the Group impose significant financial covenants on the borrowing companies. These covenants could limit the ability of such 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. Changes in banking risk appetite as a result of financial turmoil, property market saturation or any other reason, may decrease the willingness of banks to provide loans to companies and, or to grant loans on commercially favourable terms. As a result of the factors detailed herein, a Group company may not be able to raise the capital and financing it requires for the acquisition of a new site, the completion of a project and, or the operation of its business, on commercially viable terms, or at all.

#### *Risks relating to rising costs of materials, resources, and utilities*

The Group operates in the property and hospitality industries. The business strategy of the Group's property development component is to identify additional property and development opportunities. As at the date of this Registration Document, the Group has plans to develop the: (i) Hotel; (ii) Marsascala Development I; and (iii) Marsascala Development II. The Group's hospitality component relates to the Group's ownership and operation of the Hotel. Both industries necessitate the availability of certain resources, including human resources, materials, and utilities, at cost-effective prices.

In recent years, the prices of raw materials have been subject to substantial increases caused by a combination of factors, including heightened market demand and low availability, inflationary pressures, ongoing global supply chain challenges, increase in shipping costs, and shortages in containers, ships, and human resources. Accordingly, a surge in prices has been witnessed for, *inter alia*, aluminium, steel, copper, oil, wood, and paper. Although the Group has entered into fixed works contracts for the construction and completion of its property development projects, the Group may still be exposed to the risk of increases in the costs of raw materials, with such increases being ultimately borne by the Group. Furthermore, in respect of the Group's hospitality arm, the Group is also exposed to an increase in food prices. Should the volatility in prices continue in an upward trajectory over the rest of the year as well as subsequent years, the Group may be negatively affected if these increased costs are not capable of being reflected in increased charges for the delivery of certain products and services of the Group.

In addition, the Group may be unable to maintain an adequate stock of the materials and resources it requires, including the appropriate workforce for the Group's property development projects resulting in increased costs and project delays. Should the Group fail to attract sufficient, trained staff for the operation of the Hotel, the Hotel may not be able to provide the quality service it purports to offer.

A significant increase in the price of materials could result in material cost overruns and, or delays. Moreover, the inability of the Group to source sufficiently skilled human resources for both its property development and hospitality arm could adversely impact the Group's relations with its customers and suppliers, prejudice its goodwill, prejudice its contractual commitments in terms of the Franchise Agreements and, or could result in a material adverse effect on the financial position, financial performance, and operational results of the Group.

*Wars, natural disasters, contagious disease, terrorist activity have in the past adversely affected the tourism industry and similar events could adversely affect the industry in the future*

Natural disasters, the spread of contagious disease, industrial action, travel-related accidents, terrorist activity, war, and the targeting of hotels and popular tourist destinations in particular, have had a significant negative impact on the tourism industry globally and such events could have a similarly negative impact in the future. Events such as the aforementioned could directly or indirectly affect travel patterns and reduce the demand for hotel accommodation at the Hotel. Actual or threatened war, terrorist activity, political unrest, civil strike, and other geopolitical uncertainty may also reduce overall demand for business and leisure travel.

The invasion of Ukraine by Russia in February 2022 has caused an ongoing humanitarian crisis in Europe. It has also significantly impacted global commodity and financial markets, leading to supply chain disruptions and increases in the price of energy, oil, gas, and raw materials. The effect of Russia's military action against Ukraine on financial markets and general macroeconomic conditions remains uncertain, and there is a risk that the economic effects of Russia's military action against Ukraine could precipitate a recession in parts of the global economy, which would adversely affect the Group's businesses, results of operations and financial position. The continuation or escalation of the conflict between Russia and Ukraine, including the extension of the conflict to other countries in the region, could lead to further increases in energy prices (particularly gas prices, if supplies to Europe remain interrupted) and heightened inflationary pressures. This could lead to further increases in interest rates, impact financial market stability in the Eurozone and worsen the current cost of living crisis of potential guests of the Hotel. The exact duration and effects of the war in Ukraine and the financial and economic effects it will have on international travel and the local hospitality and tourism industry are inherently difficult to predict with any degree of accuracy. Consequently, the Group's business, operations, and financial performance remain susceptible to the risk of an increased aversion or appetite to travel directly or indirectly related to the effects of the war in Ukraine.

A decline in travel due to geopolitical reasons or reasons outside of the Group's control, such as war or contagious disease, could have a material adverse effect on the Group's hospitality arm and in turn, the financial position and operational performance of the Group.

### **3.3.2 Operational Risks of the Group**

#### *Risks relating to the Franchise Agreements*

The Hotel will form part of the "HYATT CENTRIC" brand of hotels, a reputable international chain of hotels that has hotels across the globe. Juel Hospitality shall operate the Hotel under the "HYATT CENTRIC" brand in accordance with the terms of the Franchise Agreements. Pursuant to the Franchise Agreements, the Franchisor granted Juel Hospitality the non-exclusive right and obligation to use certain intellectual property of the Franchisor (including the "HYATT CENTRIC" brand) as well as its systems. Juel Hospitality (as franchisee) is required to comply with certain conditions as part of the Franchise Agreements, including but not limited to: (i) the timely construction, maintenance and opening of the Hotel; (ii) the satisfaction of performance thresholds under quality assurance programs to which it is subject under the Franchise Agreements; and (iii) compliance with certain required standards under the Franchise Agreements. The breach of any of the conditions in the Franchise Agreements could result in the termination of the Franchise Agreements prior to the expiration of their term or the suspension thereof. Moreover, the Franchisor may impose penalties or seek to claim damages suffered as a result of the breach of any of the conditions of the Franchise Agreements. Accordingly, the success of the Hotel operations is dependent on the continuity of the contractual relationship with the Franchisor.

Should the Franchise Agreements be terminated or not renewed, the profitability and financial condition of the Group may be materially adversely affected in view of its inability to benefit from the reputation and standards of the "HYATT CENTRIC" brand.

#### *Risks relating to the ability of the Group to secure approvals and licenses*

Once completed, the Hotel will require a license from the Malta Tourism Authority to operate as a Class 3B hotel before the Group can open the Hotel's doors to guests. Although it is the intention of the Group to construct the Hotel in accordance with licensing requirements and the standards of the Franchise Agreements, should the Malta Tourism Authority consider that not all applicable licensing conditions have been satisfied, there may be delays in the opening of the Hotel, which in turn could result in the Franchisor claiming a breach of the Franchise Agreements and the loss of the use of the "HYATT CENTRIC" brand by the Group. Should the Hotel fail to open its doors within the projected timeframe (that is, by Q4 2024) due to a delay in the issue of a license to operate as a Class 3B hotel, the Group's business, financial condition, and results of operations may be adversely affected.

*Risks relating to the loss of, and inability to recruit, key personnel*

The Group believes that its growth is partially attributable to the efforts and abilities of its executive director, Adrian Muscat, and other key personnel, including members of the management team of the Hotel, sales, investment, and project management personnel and upon its ability to attract, recruit, develop and retain key personnel to manage the Group's business efficiently and profitably. If one or more key members are unable or unwilling to continue in their present position, the Group might not be able to replace them within the short term, which could have a material adverse effect on the Group's business, financial condition, and results of operations.

The Group intends to open the Hotel in Q4 2024. As at the date of this Registration Document, the Group has not yet identified the persons which shall form part of the internal management team of the Hotel. Should the Group fail to form an internal management team in a timely manner, this could delay the opening of the Hotel, which in turn could result in the Franchisor claiming a breach of the Franchise Agreements and the loss of the use of the "HYATT CENTRIC" brand by the Group. Delays in the opening of the Hotel or the loss of the right to use "HYATT CENTRIC" brand could result in a material adverse effect on the financial position, financial performance, and operational results of the Group.

*Risks relating to competing projects*

The local hospitality industry is characterised by substantial competition given the variety of temporary accommodation available on the local market. Accordingly, once completed, the Hotel may compete with local hotels and facilities offering various types of lodging options and related services to the public. Local competition is influenced by a variety of determining factors including price, variety and quality of services, availability, reliability, after-sales service, and logistical arrangements, and fluctuations in demand and supply in respect of both competing or substitute goods and services.

The Group's activities in the property development and rental sectors are also susceptible to competitive forces given the large number of properties and developments available on the local market. Should there be an increase in similar property developments which are of a similar quality and type to those being constructed, sold, or leased by the Group, particularly where such competing developments are available at cheaper prices, the Group may be unable to sell or otherwise lease the residential and commercial units, garages and, or developments (as applicable) forming part of the Group's property portfolio, in a cost-effective and efficient manner.

A reduction in reservations for hotel accommodation and, or the sale of units at prices which are lower than that projected may adversely affect the Group's business, financial condition, and results of operations.

*Risks relating to changes in consumer preferences and demand*

The Group's success in the property development, rental, and hospitality sectors is dependent on its ability to offer products and services 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. The property market, whether for resale or letting purposes, is subject to changing preferences in the style and location of immovable properties. In the case of the hospitality sector, consumer preferences are largely determined by brand image and reputation. Brand images are key to the business of the Group and thus the inability to maintain a positive brand image could have a material adverse effect on the Group's revenue and results of operations. It cannot be predicted whether advertising, marketing and promotional programs will have the desired impact on the Group's products' and services' branding and on consumer preferences.

The Group's success in such sectors is dependent on its ability to swiftly anticipate, capitalise and adapt to changes in consumer attitude and preferences. Should the Group fail to do so, it may experience a reduction in revenue which could have a material adverse effect on its operational results and financial condition.

*Risks relating to the Group's insurance policies*

The Group has maintained insurance and, or otherwise plans to maintain insurance at levels determined by the Group to be appropriate in light of the cost of cover and the risk profiles of the sectors in which the Group operates. Notwithstanding such insurance coverage, which insures against, *inter alia*, claims for damages, it may be difficult and may take time to recover such losses from insurers. In addition, the Group may not be able to recover the full amount from the insurers due to procedural restrictions or formalities, or due to substantive exclusions, exemptions, limitations on coverage, *de minimis* liability coverage limitations, prescriptive time periods and limitations, reporting or other disclosure requirements, licensing or other authorisation or registration requirements, breach of restrictive covenants or undertakings, breach of warranties and, or, representations, as well as restrictions or formalities relating to the initiation of, and control over, litigation, investigations or other proceedings relating thereto.

No assurance can be given that the Group's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates. In addition, changes in legislation or judicial interpretation, or the issuance or alteration of directives, orders, or other measures (whether interim or otherwise), by the relevant authorities may impact the ability to recoup losses under insurance coverage held by the Group. Furthermore, the actions, or inactions of employees or other officials of the Group, or of contractors, sub-contractors, outsourcing parties, or other third-parties engaged by the Group from time to time, may affect the ability of the Group to successfully make a claim under its insurance policies.

### 3.3.3 RISKS SPECIFIC TO THE PROPERTY SECTOR

The Group is heavily invested in the property acquisition, development, and management markets, which are constantly evolving market segments characterised by specific risks and uncertainties. The Group is thus intrinsically susceptible to the risks associated with activities in these market segments. The occurrence of any of the factors referred to below could negatively affect the Group's financial condition and results.

#### *Risks relating to the property development and construction industry*

The Group undertakes activities in the property development and construction industry. As detailed above, the Group has plans to develop the: (i) Hotel; (ii) Marsascala Development I; and (iii) Marsascala Development II.

Pursuant to such activities, the Group is subject to several specific risks, including:

- (a) the risk of delays, including albeit not limited to delays (and, or refusals) in obtaining any necessary permits and cost overruns;
- (b) the possibility of delays in the completion of the property development projects pursuant to a strain on the availability of human and other capital resources required for the development and completion of such projects resulting from heightened levels of activity in the sector;
- (c) covenants, conditions, restrictions, and easements relating to the properties or their use, whether arising out of law, contractual arrangement, or orders or other decisions of the competent judicial or government authorities; and
- (d) government restrictions concerning the free movement of people and goods, which might result in delays or changes in terms of established trade supply routes, changes in macro-economic conditions, as well as market and regulatory changes affecting the construction and property development processes.

The occurrence of any of the risk factors described above could have a material adverse effect on the Group's business, financial condition, and results of operations, including the increase of projected costs and times for the completion of ongoing property development projects.

#### *Risks relating to the sale of property*

The Group's business contemplates the construction and finishing of property developments and the subsequent sale or rental of the individual units / garages / car spaces forming part of such property developments. Whilst the Group's activities in this sector have been largely successful, there can be no assurance that the Group will be able to sell future developments in a profitable and efficient manner on account of: (a) market conditions; (b) the size and, or value of the property development; (c) specific local market conditions; (d) regulatory risks including, albeit not limited to, the delay in obtaining or the inability to obtain the necessary permits and, or authorisations; or (e) other local or international economic factors influencing the Group's operations or assets. It may also prove necessary to dispose of houses / units / garages / car spaces at values which management considers to be reasonable in the circumstances prevailing at the time, but which represent discounts to book values or earlier property valuation reports, in order to meet long-term strategy and financing objectives.

#### *Risks relating to the engagement and, or the involvement of third parties in connection with the Group's business and associated counterparty risks*

The Group relies on third-party service providers such as architects, contractors and suppliers for the building, construction and completion of each of its property developments. The Group has engaged, and shall continue to engage, the services of third-party contractors for the purposes of the Hotel, including the excavation, construction and finishing and furnishing of the Hotel in a timely manner and within agreed cost parameters. This gives rise to counter-party risks in those instances where such third parties do not perform in line with the Group's expectations and in accordance with their contractual obligations. If these risks were to materialise, this will result in delays in the development and completion of the Hotel as well as other property development projects undertaken by the Group, which could have an adverse impact on the Group's business, its financial condition, results of operations and prospects. Delays in the development and completion of the Hotel could have a material adverse impact on the Issuer's cash flows and revenue generation.

#### *Risks relating to the rental income of the property retained by the Group*

As detailed in section 6.2 of this Registration Document, the Group has a property portfolio of over 30 units which it leases under the "StayMela" brand. Given that the majority of the Group's customers are tourists, the revenue generated from such rental activities is dependent on the number and frequency of people travelling to Malta. Therefore, the risks attributable to the hospitality and tourism industry (described further in section 3.3.4 of this Registration Document) apply to the Group's rental activities under the "StayMela" brand.

#### *Risks relating to property valuations and net realisable value*

The valuation referred to in the Prospectus is prepared by an independent qualified architect with due consideration being afforded to the valuation standards published by the Royal Institution of Chartered Surveyors ('RICS'). However, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. In providing a market value of the respective property, the architect has made certain assumptions which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends as reality may not match the assumptions. Subsequently,

the Group may purchase and, or have purchased property on the basis of inaccurate valuations. Moreover, property valuations are largely dependent on current and, or expected market conditions which may fluctuate from time to time. There can be no assurance that the property valuation and property-related assets will reflect actual market values.

### 3.3.4 RISKS SPECIFIC TO THE HOSPITALITY AND TOURISM INDUSTRY

The Group's activities in the hospitality and tourism industries consists in the operation of the Hotel once completed and its rental activities under the brand "StayMela". The hospitality and tourism industries are susceptible to several factors which may impact the operations and revenue of owners and operators alike. Such factors include the following:

- changes in travel patterns or seasonal variations, as well as consumer preferences concerning price;
- increases in operating costs due to general market conditions, inflation, employment costs, workers' compensation and healthcare related costs, utility costs, increased taxes and insurance costs which could impact margins and could therefore impact the viability (or otherwise) of the Group's operations;
- quality, location, and type of hospitality packages;
- any cutbacks and stoppages on Malta-bound air or sea travel routes, or increases in taxes, surcharges and other expenses associated therewith, as well as the imposition of travel restrictions, bans or other measures by the relevant authorities;
- increases in the availability of air or sea travel routes to destinations competing with Malta;
- changes in laws and regulations, including those concerning the management and operation of hotels and other hospitality outlets, employment, catering and entertainment establishments, health and safety, alcohol licensing, environmental concerns, fiscal policies and zoning and development, and the related costs of compliance;
- the maintenance of licenses and other authorisations, as may be required from time to time, to operate and manage hospitality establishments;
- the impact of increased threats of terrorism or actual terrorist events, impediments to means of transportation (including airline strikes and border closures, or other travel restrictions), extreme weather conditions, natural disasters, travel-related accidents, outbreaks of diseases and health concerns, or other factors that may affect travel patterns and reduce the number of business and leisure travellers;
- the termination, non-renewal and, or the renewal on less favourable terms of material contracts, including the Franchise Agreements, management or operation agreements, reseller agreements, distribution agreements, travel agent booking agreements, marketing agreements, services or supply agreements, and agreements entered into with tour operators; and, or
- increased competition from providers of alternative accommodation, including web-based booking channels that allow private accommodation to be made available by private individuals or via online peer-to-peer platforms, and other hospitality models such as bed and breakfasts (B&Bs), room-sharing and flexi-renting, and short-term lets of private property which may be offered at competitive rates.

The impact of any of these factors (or a combination of them) may adversely affect room rates and occupancy levels at the Hotel and, or the reservation of the residential units available for rent under the "StayMela" brand. In turn, this may cause a reduction in the income generated from the Group's hospitality component which would have a material adverse effect on the Group's business, financial condition, and results of operations and, in turn, on its ability to meet its obligations on time and in full.

#### *Risks relating to the utilisation of reservation systems*

The Hotel intends to utilise an online reservation system and other key technology platforms for the reservation of rooms at the Hotel. The Hotel's results of operations are primarily derived from its ability to drive reservations through its reservation system and technology platforms which are highly integrated with internal processes and linked to multiple sales channels, including the Hotel's own website, call centre, third-party intermediaries, and travel agents. Lack of resilience, connectivity and operational availability of these systems provided by the Group, or third-party technology providers could lead to prolonged service disruption and might result in significant business interruption, impact the guest booking experience and subsequently adversely impact the revenues and reputation of the Hotel and the Group, as the owner and operator of the Hotel.

### 3.3.5 Legal, Regulatory and Compliance Risks

#### *Risks relating to the regulatory environment in which the Group operates*

The Group's activities in the construction and development industry, as well as the Group's activities in the hospitality industry (including the rental of property under the "StayMela" brand and its operation of the Hotel, once complete), are subject to a vast array of rules and regulations, including but not limited to, environmental protection, property and rental law, construction, property acquisition, property development, consumer law, health, fire, and safety, among others. Furthermore, the regulatory environment in which the Group operates is constantly evolving, with the introduction of new rules and regulations, or the amendment or overhaul of existing ones. In addition, the Group is susceptible to changes in the application and, or interpretation of such rules and regulations, whether as a result of judicial interpretation or due to decisions, orders, directives, and, or guidelines issued by the competent regulatory authorities.

Laws and regulations, which may be amended over time, may also impose liability for the presence of certain materials or substances or the release of certain materials or substances into the air, land or water or the migration of certain materials or substances from a property investment, including asbestos, and such presence, release or migration could form the basis for liability to third parties for personal injury or other damages. These environmental liabilities, if realised, could have a material adverse effect on the Group's business, financial condition, and results of operations in the property development sector.

The inability of the Group to meet its ongoing regulatory and legal requirements, whether in whole or in part, or the inability of the Group to equip itself to comply with forthcoming legislation or regulation in a timely and suitable manner, may expose the Group to the risk of regulatory sanctioning, including but not limited to, the imposition of public reprimands, administrative or punitive fines or penalties, temporary suspension of activities, or even revocation of licenses, permits, or other authorisations, whether in whole or in part. In addition, lack of compliance with legal and regulatory requirements may negatively affect the reputation and goodwill of the Group and may result in a loss of existing or potential business, and, or a weakened competitive advantage. If any of these risks were to materialise, they could have a material adverse effect on the operational results, financial performance, and financial position of the Group.

#### *Risks relating to personal data protection and privacy laws*

In the ordinary course of its activities, particularly with respect to the Group's hotel operations once the Hotel is completed, the Group receives, processes, transmits and stores information relating to identifiable individuals ("**personal data**"). As a result, the Group is subject to various local laws and EU regulations relating to the collection and processing of personal data. These laws impose operational requirements for companies receiving or processing personal data and provide for significant penalties for non-compliance. These requirements with respect to personal data have subjected and may continue in the future to subject the Group to, among other things, additional costs and expenses and have required and may in the future require costly changes to their business practices and information security systems, policies, procedures, and practices.

Security controls over personal data, the training of employees on data privacy and data security, and the policies, procedures, and practices implemented, or which may be implemented in the future, may not prevent the improper disclosure of personal data by the Group. Unauthorised access or improper disclosure of personal data in violation of personal data protection or privacy laws could harm the reputation of the Group, cause loss of consumer confidence, subject it to regulatory enforcement actions (including fines), and result in private litigation against the Group and, or Group companies, which could result in loss of revenue, increased costs, liability for monetary damages, fines and, or criminal prosecution, all of which could negatively affect the business and operating results of the Group.

#### *Risk of litigation*

All industries, including the property development, construction, and hospitality and tourism industries, are subject to legal claims, with or without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of litigation and dispute resolution processes, there can be no assurance that the resolution of any legal proceeding or dispute will not have a material adverse effect on the Group's future cash flow, results of operations or financial condition.

#### *Risk relating to disputes / investigations*

The Issuer and, or Manager & Registrar are currently the subject of enquiries raised by the MFSA in respect of the manner in which funds were raised prior to the Bond Issue pursuant to an offering memorandum issued by the Issuer. Such enquiry, which as at the date of this Registration Document remains ongoing, could result in MFSA taking regulatory action against the Issuer and, or Manager & Registrar. In the event that any regulatory action were to be taken as aforesaid, this could have an adverse impact on the Issuer's reputation and business.

### **3.3.6 Risks Relating to the Failure to Implement Environmental, Social and Governance Considerations in the Group's Business Model**

There is a growing expectation for enterprises to implement sustainability risks and consider sustainability factors in their day-to-day management and decision-making process. With an increased emphasis on environmental, social and governance ("**ESG**") considerations at global level, the implementation of sustainable factors in the Issuer's business model is likely to become under increased scrutiny by investors, regulators, and the public at large.

The Group's business entails three main sectors of operation: property development, rental of property and hospitality. ESG considerations for the purposes of the Group's business may include, but are not limited to, energy performance, energy and resource efficiency, waste management, energy and water use, the use of renewables, as well as social and employment considerations of workers and the health and safety thereof.

In particular, risks relating to the impact of climate change, through physical and transitional channels, including but not limited to, physical risks related to severe weather events, the rise in sea level, and other natural disasters; and transition risks attributable to regulatory, technological, and market or pricing changes, could have economic, operational and financial impacts on the Group, and accordingly the failure by the Group to manage these risks over the short, medium, and long term could have a material adverse effect on the Group's business operations, financial performance and prospects.

From a governance perspective, risks may arise relating to lack of skilful management or good governance within the Group and the inadequacy of proper control. Said risks cover a wide spectrum of areas including financial crime, regulatory compliance, fraud, systems, and processes which would in turn affect income and capital. Failure to manage these risks may result in negative impacts on the Group's business and reputation.

Should the Group fail to operate its business in each sector in a sustainable manner, the failure to implement sustainable factors in the Group's business operations may also have a material adverse effect on the Group's reputation and public image in each sector as well as its relationship with clients, suppliers, business partners (including the Franchisor) and other stakeholders. This in turn may have a material adverse impact on the Group's business activities, revenues, financial condition, and operations.

## 4. IDENTITY OF DIRECTORS, ADVISERS AND AUDITORS

### 4.1 DIRECTORS OF THE ISSUER

As at the date of this Registration Document, the Board of Directors is composed of the following persons:

Name	Designation	Date of Appointment
<b>Adrian Muscat</b> ID card number: 166682M	Executive Director	24 January 2022
<b>George Muscat</b> ID card number: 312355M	Non-Executive Director	14 March 2023
<b>Mario Camilleri</b> ID card number: 412068M	Independent Non-Executive Director	14 March 2023
<b>Robert C Aquilina</b> ID card number: 841255M	Independent Non-Executive Director	14 March 2023
<b>Dennis Gravina</b> ID card number: 009860M	Independent Non-Executive Director	14 March 2023

The business address of the Directors is the same as that of the Issuer.

The *curriculum vitae* of each of the Directors is set out in section 8.5 of this Registration Document.

### 4.2 DIRECTORS OF THE GUARANTORS

#### 4.2.1 Directors of Juel Holdings

As at the date of this Registration Document, the directors of Juel Holdings are:

Name	Designation	Date of Appointment
<b>Adrian Muscat</b> ID card number: 166682M	Director	8 August 2019
<b>George Muscat</b> ID card number: 312355M	Director	28 March 2023

The business address of the directors of Juel Holdings is the same as that of Juel Holdings.

The *curriculum vitae* of each of the directors of Juel Holdings is set out in section 8.5 of this Registration Document.

#### 4.2.2 Directors of Juel Hospitality

As at the date of this Registration Document, the directors of Juel Hospitality are:

Name	Designation	Date of Appointment
<b>Adrian Muscat</b> ID card number: 166682M	Director	18 October 2021
<b>Mario Camilleri</b> ID card number: 412068M	Director	28 March 2023

The business address of the directors of Juel Hospitality is the same as that of Juel Hospitality.

The *curriculum vitae* of each of the directors of Juel Hospitality is set out in section 8.5 of this Registration Document.

#### 4.2.3 Directors of Muscat Holdings

As at the date of this Registration Document, the directors of Muscat Holdings are:

Name	Designation	Date of Appointment
<b>Adrian Muscat</b> ID card number: 166682M	Director	18 October 2021
<b>George Muscat</b> ID card number: 312355M	Director	28 March 2023

The business address of the directors of Muscat Holdings is the same as that of Muscat Holdings.

The *curriculum vitae* of each of the directors of Muscat Holdings is set out in section 8.5 of this Registration Document.

#### 4.2.4 Directors of Muscat Holdings II

As at the date of this Registration Document, the directors of Muscat Holdings II are:

Name	Designation	Date of Appointment
<b>Adrian Muscat</b> ID card number: 166682M	Director	7 November 2018
<b>George Muscat</b> ID card number: 312355M	Director	28 March 2023

The business address of the directors of Muscat Holdings II is the same as that of Muscat Holdings II.

The *curriculum vitae* of each of the directors of Muscat Holdings II is set out in section 8.5 of this Registration Document.

#### 4.3 COMPANY SECRETARY OF THE ISSUER

The company secretary of the Issuer is Dr Karen Coppini, holder of Maltese identity card number 091185M. The business address of the company secretary is Coppini Legal 74, Hope Street, Mosta MST 1306, Malta.

#### 4.4 COMPANY SECRETARY OF THE GUARANTORS

The company secretary of each of the Guarantors is Adrian Muscat, holder of Maltese identity card number 166682M. The business address of the company secretary is Southridge, Block D, Flat 5.1, Triq id-Deru, Mellieha, Malta.

#### 4.5 RESPONSIBILITY AND AUTHORISATION STATEMENT

The Directors are the persons responsible for the information contained in this Registration Document. To the best of the knowledge and belief of the Directors (who have all taken reasonable care to ensure such is the case), the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

This Registration Document has been approved by the Malta Financial Services Authority as the competent authority in Malta for the purposes of the Prospectus Regulation. The Malta Financial Services Authority has only approved this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Issuer and, or the Secured Bonds.

#### 4.6 ADVISERS

The persons listed hereunder have advised and assisted the Directors in the drafting and compilation of the Prospectus.

##### Legal Adviser to the Issuer and Guarantors

Name: Dr Chris Cilia  
Address: I C Law, Maisonette 1, Triq L-Ghenba, Attard, Malta

##### Financial Advisers to the Issuer and Guarantors

Name: Deloitte Advisory and Technology Limited  
Address: Deloitte Place, Triq L-Intornjatur, Zone 3,  
Central Business District, Birkirkara CBD 3050, Malta



## **Sponsor**

Name: Jesmond Mizzi Financial Advisors Limited  
Address: 67, Flat 3, South Street, Valletta, Malta

## **Manager & Registrar**

Name: M.Z. Investment Services Limited  
Address: 61, M.Z. House, St. Rita Street,  
Rabat, RBT 1523

## **Security Trustee**

Name: Equinox International Limited  
Address: Level 3, Valletta Buildings, South Street,  
Valletta VLT 1103, Malta

## **4.7 AUDITOR OF THE ISSUER AND THE GUARANTORS**

Name: TACS Malta Limited  
Address: 1, Tal-Providenza Mansions, Main Street,  
Balzan BZN 1254, Malta

TACS Malta Limited is a registered audit firm with the Accountancy Board of Malta in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta) with registration number AB/2/17/22.

### **(a) The Issuer**

As of the date of this Registration Document, the auditor of the Issuer is TACS Malta Limited (C 84698).

The Issuer was incorporated on 24 January 2022. The annual statutory financial statements of the Issuer for the period ended 31 December 2022 have been audited by TACS Malta Limited (C 84698).

### **(b) Juel Holdings**

As at the date of this Registration Document, the auditor of Juel Holdings is TACS Malta Limited (C 84698).

The annual statutory financial statements of Juel Holdings for the period from 8 August 2019 to 31 December 2020 and for the financial period ended 31 December 2021 have been audited by Ms Pamela Fenech. Ms Pamela Fenech holds a warrant to practice the profession of an accountant in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta), with warrant number 10795. The annual statutory financial statements of Juel Holdings for the year ended 31 December 2022 have been audited by TACS Malta Limited (C 84698).

### **(c) Juel Hospitality**

As at the date of this Registration Document, the auditor of Juel Hospitality is TACS Malta Limited (C 84698).

Juel Hospitality was incorporated on 18 October 2021. The annual statutory financial statements of Juel Hospitality for the period ended 31 December 2022 have been audited by TACS Malta Limited (C 84698).

### **(d) Muscat Holdings**

As at the date of this Registration Document, the auditor of Muscat Holdings is TACS Malta Limited (C 84698).

The annual statutory financial statements of Muscat Holdings for the financial years ended 31 December 2020 and 31 December 2021 have been audited by Ms Pamela Fenech. The annual statutory financial statements of Muscat Holdings for the period ended 31 December 2022 have been audited by TACS Malta Limited (C 84698).

### **(e) Muscat Holdings II**

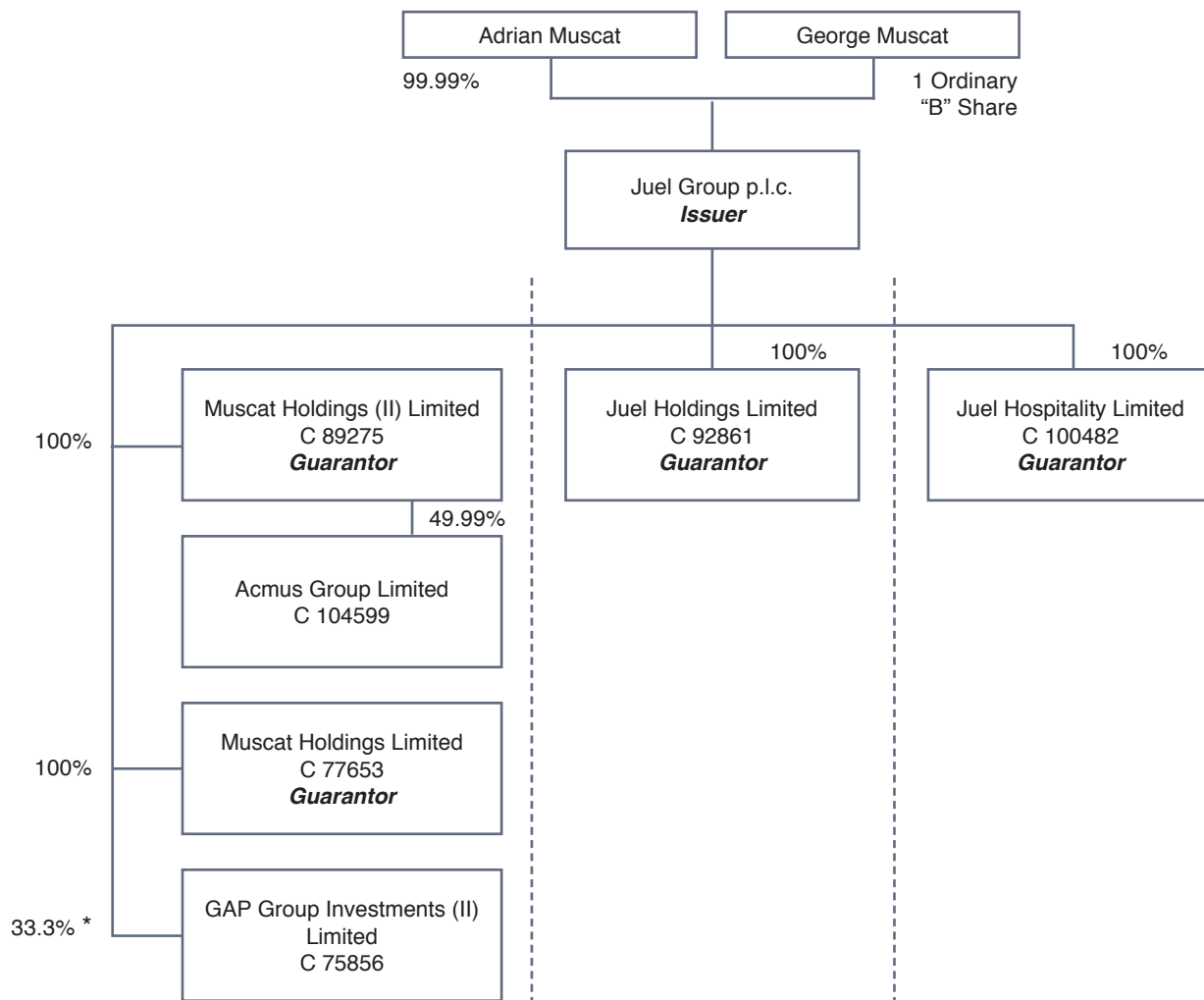
As at the date of this Registration Document, the auditor of Muscat Holdings II is TACS Malta Limited (C 84698).

The annual statutory financial statements of Muscat Holdings II for the financial years ended 31 December 2020 and 31 December 2021 have been audited by Ms Pamela Fenech. The annual statutory financial statements of Muscat Holdings II for the period ended 31 December 2022 have been audited by TACS Malta Limited (C 84698).

## 5. INFORMATION ABOUT THE ISSUER AND THE GUARANTORS

### 5.1 ORGANISATIONAL STRUCTURE OF THE GROUP

The Issuer was incorporated on 24 January 2022 and is the holding and finance company of the Group. It holds 100% of the shareholding in its Subsidiaries, the Guarantors. The organisational structure of the Group as at the date of this Registration Document is illustrated in the diagram hereunder:



\*33.33% of Ordinary A shares carrying voting rights and the right to receive dividends.

### 5.2 THE ISSUER

#### 5.2.1 History and Development of the Issuer

Full legal and commercial name	Juel Group p.l.c.
Registered address	Avian Hill, Triq I-Spanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta
Place of registration and domicile	Malta
Company registration number	C 101395
Legal Entity Identifier ('LEI')	485100T71HGPIVIF136
Date of registration	24 January 2022
Legal form	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act.
Telephone number	(+356) 27391085
Email	info@juel.mt
Website	www.juel.mt

Unless otherwise incorporated by reference herein, the information on the Issuer's website does not form part of the Prospectus.

## 5.2.2 Overview of the Issuer's Business & Principal Activities

The Issuer is the holding and finance company of the Group and was incorporated for the purpose of financing its Subsidiaries' respective projects, as and when the case requires. The Issuer does not carry out any trading activities of its own and its revenue is limited to the dividends it receives from its Subsidiaries and affiliate companies and principal and interest due under intra-group loan agreements.

The Issuer was established on 24 January 2022. It acquired the entire issued share capital of Juel Hospitality, Juel Holdings, Muscat Holdings and Muscat Holdings II on 22 December 2022, through a share for share exchange process which enabled the Group's majority shareholder, Adrian Muscat, to consolidate the operations of the Guarantors through a holding structure. On 14 April 2023, the Issuer acquired 33.3% of the voting shares in GAP Group Investments II. GAP Group Investments II is the 99.99% shareholder of the GAP Group, a group of companies which operates in the industry of property development. GAP Group p.l.c., the parent company of the GAP Group, has debt instruments admitted to listing on the Official List of the MSE.

The principal business objectives of the Group are: (i) to hold investment property for rental; (ii) to acquire new sites for residential properties for resale; (iii) to develop and construct properties acquired; and (iv) the operation of the Hotel.

As at the date of this Registration Document, the Issuer has entered into the following principal loan agreements with Juel Hospitality:

- i. a conditional loan agreement with Juel Hospitality pursuant to which it shall advance the net bond proceeds of the Bond Issue (amounting to approximately €13.61 million) to Juel Hospitality for the purposes of financing the development, construction and finishing costs of the Hotel;
- ii. a loan agreement with Juel Hospitality pursuant to which it advanced all the funds it received under a bond advance facility (amounting to approximately €9.27 million) to Juel Hospitality for the purposes of acquiring the Rocheville Site; and
- iii. a loan agreement with Juel Hospitality pursuant to which it advanced €8 million in funds it received in terms of a bank loan granted by Bank of Valletta for the purposes of acquiring the Sans Souci Site.

The Issuer may, from time-to-time, advance funds to its Subsidiaries for their operating requirements, as the case so requires. In view of the principal activity of the Issuer as the holding and finance company of the Group, it is economically dependent on the operational results, the financial position, and the financial performance of its Subsidiaries and associate companies.

## 5.3 THE GUARANTORS

### 5.3.1 Juel Hospitality

#### 5.3.1.1 History and Development of Juel Hospitality

Full legal and commercial name	Juel Hospitality Limited
Registered address	Avian Hill, Triq l-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta
Place of registration and domicile	Malta
Company registration number	C 100482
Legal Entity Identifier ('LEI')	485100XNSNCFMKQ64Y15
Date of registration	18 October 2021
Legal form	Juel Hospitality is lawfully existing and registered as a private limited liability company in terms of the Act
Telephone number	(+356) 27391085
Email	info@juel.mt
Website	www.juel.mt

#### 5.3.1.2 Overview of Business and Principal Activities of Juel Hospitality

Juel Hospitality was incorporated with the purpose of owning and managing the Hotel, which is in the process of being constructed, developed, and completed by third party contractors engaged for that purpose. The Hotel will be operated by Juel Hospitality under the "HYATT CENTRIC" brand in accordance with the terms of the Franchise Agreements. Further information on the purchase, construction and management of the Hotel is set out in section 6.3 of this Registration Document.

### 5.3.2 Juel Holdings

#### 5.3.2.1 History and Development of Juel Holdings

Full legal and commercial name	Juel Holdings Limited
Registered address	Avian Hill, Triq l-Ispanjulett c/w Triq il-Gallina, Kappara, SanGwann, Malta
Place of registration and domicile	Malta
Company registration number	C 92861
Legal Entity Identifier ('LEI')	485100C6IJTMPAF8X759
Date of registration	8 August 2019
Legal form	Juel Holdings is lawfully existing and registered as a private limited liability company in terms of the Act.
Telephone number	(+356) 27391085
Email	info@juel.mt
Website	www.juel.mt

### 5.3.2.2 Overview of Business and Principal Activities of Juel Holdings

Juel Holdings operates in the property development and property rental sectors. As part of its property development activities, Juel Holdings acquired a site in Triq L-Ahwa, Luqa, Malta over which the Luqa Development was completed. The units forming part of the Luqa Development are held by the Group for resale and for lease to third parties. Further information on the Luqa Development is detailed in section 6.1.1 of this Registration Document. As part of its property rental activities, Juel Holdings leases to third parties, on a short-term and long-term basis, 34 residential units: 14 residential units within the Birkirkara Development, ten units within the Kappara Development and ten units within the Luqa Development.

### 5.3.3 Muscat Holdings

#### 5.3.3.1 History and Development of Muscat Holdings

Full legal and commercial name	Muscat Holdings Limited
Registered address	Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta
Place of registration and domicile	Malta
Company registration number	C 77653
Legal Entity Identifier ('LEI')	485100JM2ER0TVPM5M38
Date of registration	14 October 2016
Legal form	Muscat Holdings is lawfully existing and registered as a private limited liability company in terms of the Act
Telephone number	(+356) 27391085
Email	info@juel.mt
Website	www.juel.mt

#### 5.3.3.2 Overview of Business and Principal Activities of Muscat Holdings

Muscat Holdings operates in the property development and property rental sectors. Since its incorporation, Muscat Holdings has undertaken a number of property development projects as follows:

- On 2 February 2017, Muscat Holdings acquired a site in St. Julian's, Malta, over which the St. Julian's Development was completed. Further information on the St. Julian's Development is detailed in section 6.1.1 of this Registration Document.
- In 2017 and 2019, Muscat Holdings acquired three sites in Birkirkara, Malta, over which the Birkirkara Development was completed. Further information on the Birkirkara Development is detailed in section 6.1.1 of this Registration Document.
- On 13 June 2019, Muscat Holdings acquired a site in Kappara, Malta, over which the Kappara Development was completed.

As part of its property rental activities, Block A of the Birkirkara Development was leased by Muscat Holdings to Juel Holdings for a two-year term, ending on 31 May 2024. The units forming part of the Kappara Development are also leased to Juel Holdings for a two-year term ending on 31 May 2024. Juel Holdings sub-lets, on a short-term basis, the units forming part of the Kappara Development under the brand name "StayMela".

### 5.3.4 Muscat Holdings II

#### 5.3.4.1 History and Development of Muscat Holdings II

Full legal and commercial name	Muscat Holdings (II) Limited
Registered address	Avian Hill, Triq I-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta
Place of registration and domicile	Malta
Company registration number	C 89275
Legal Entity Identifier ('LEI')	485100C1VOBCCXKOEN43
Date of registration	7 November 2018
Legal form	Muscat Holdings II is lawfully existing and registered as a private limited liability company in terms of the Act
Telephone number	(+356) 27391085
Email	info@juel.mt
Website	www.juel.mt

#### 5.3.4.2 Overview of Business and Principal Activities of Muscat Holdings II

Muscat Holdings II operates in the property development sector. Since its incorporation, Muscat Holdings II has completed or is in the process of completing the following projects:

- On 12 July 2019, Muscat Holdings II acquired a plot of land in Imgarr, Malta over which the Imgarr Development was completed.
- On 30 August 2019, Muscat Holdings II acquired a plot of land in Naxxar, Malta, over which the Naxxar Development was completed.
- On 25 February 2022, Muscat Holdings II acquired a plot of land in Marsascala, Malta over which the Marsascala Development I shall be developed.
- On 17 November 2022 Muscat Holdings II acquired three adjacent properties in Marsascala, Malta over which the Marsascala Development II shall be developed.

Muscat Holdings II holds a 49.99% shareholding in ACMUS Group Limited (a joint venture with The Ona Property Development Ltd (C 82490) established in Q1 2023). The principal object of ACMUS Group Limited is to seek property development opportunities. Further information on the property development projects identified by ACMUS Group Limited is set out in section 6.1.3 of this Registration Document.

## 6. THE PROJECTS

### 6.1 PROPERTY DEVELOPMENT

The operations of the Group in the property development sector are focused on small to medium-sized projects. Such projects predominantly consist of residential units for resale or letting purposes. However, a number of developments also contain commercial units. Juel Holdings, Muscat Holdings and Muscat Holdings II are the Subsidiaries which are involved in the property development segment of the Group. Each of these companies engage third parties for the purposes of carrying out development, construction and finishing works on their respective developments.

The acquisition, construction and finishing costs attributable to such projects have been primarily financed through bank financing and accumulated reserves from the sale of units / garages / car spaces. Through its Subsidiaries Juel Holdings, Muscat Holdings and Muscat Holdings II, the Group intends to acquire more sites across Malta for the subsequent development thereof. The Group plans to finance such future projects through bank financing and the reinvestment of funds received on the sale or lease of units / garages / car spaces forming part of the various properties owned by the Group.

The property development companies forming part of the Group have acquired sites in various localities around Malta, including St. Julian's, Kappara, Birkirkara, Imgarr, Naxxar, Luqa and Marsascala. The Group is in the process of developing two property development projects in Marsascala and has identified sites for development located in Imgarr, Malta. It will continue to identify new sites in various localities in Malta for small to medium-sized property development projects.

The property development projects of the Group are financed by bank financing. The property development projects of the Group are secured by hypothecs over the immovable property in the process of being developed or developed, in favour of the banks funding the property development projects.

#### 6.1.1 Completed Property Developments

The following property developments have been completed by the Group:

##### 6.1.1.1 The Imgarr Development

On 12 July 2019, Muscat Holdings II acquired a plot of land located on Triq Sant Pietru in Imgarr, Malta, with a superficial area of 537 square metres on which it subsequently developed the Imgarr Development. The construction and development of the Imgarr Development commenced in Q4 2019 and was completed in Q2 2021.

The Imgarr Development consists of one block of apartments of 14 residential units spread over three floors and a recessed floor level, and 15 garages. The residential units and garages forming part of the Imgarr Development, were placed on the market in Q3 2020 and were primarily targeted at first-time buyers.

All the residential units and garages forming part of the Imgarr Development have been sold, save for one garage. The aggregate net sales revenue from the sale of the units and garages forming part of the block was €5 million. The Imgarr Development was covered by a full development permit having permit number PA09062/18 and was financed through bank financing and accumulated reserves.

##### 6.1.1.2 The Naxxar Development

On 30 August 2019, Muscat Holdings II acquired two plots of land, each accessible from Triq I-Abate and Triq Francis Attard in Naxxar, Malta, with a collective superficial area of 565 square metres, on which it subsequently developed the Naxxar Development. The construction and development of the Naxxar Development commenced in Q1 2020 and was completed in Q2 2021.

The Naxxar Development consists of one block of apartments of ten residential units and 12 garages. The residential units and garages forming part of the Naxxar Development, were placed on the market in Q3 2020 and were primarily targeted at first-time buyers.

All the residential units and garages forming part of the Naxxar Development have been sold. The aggregate net sales revenue from the sale of the units and garages forming part of the Naxxar Development was €4.1 million. The Naxxar Development was covered by a full development permit having permit number PA/08482/18 and was financed through bank financing and accumulated reserves.

#### *6.1.1.3 The Luqa Development*

On 10 January 2020, Juel Holdings acquired a site located on Triq l-Ahwa Vassallo in Luqa, Malta, with a superficial area of approximately 292 square metres over which it subsequently developed the Luqa Development. A portion of the site in Luqa was acquired jointly with Katari Developments Limited (C 89550). The construction and development of the Luqa Development commenced in Q1 2020 and was completed in Q1 2021.

The Luqa Development consists of two blocks of apartments. The first block of apartments was developed over the part of the site in Luqa which was jointly acquired with Katari Developments Limited (C 89550) and consists of nine residential units and ten garages / car spaces. Other than one apartment, all the residential units and garages / car spaces forming part of this block have been sold.

The second block within the Luqa Development is solely owned by Juel Holdings and consists of ten residential units and ten underlying garages. Juel Holdings leases the second block of apartments (with the exception of a small number of garages) to a third party. The aggregate net sales revenue from the sale of the units and garages forming part of the block was €752,000. The Luqa Development was covered by a full development permit having permit number PA/08482/18 and was financed through bank financing and accumulated reserves.

#### *6.1.1.4 The Birkirkara Development*

On 28 November 2017, Muscat Holdings acquired two sites located in Birkirkara over which it subsequently developed the Birkirkara Development: one site on Triq l-Istazzjon c/w Triq Id-Dar tal-Kleru c/w, Triq Hal Qormi in Birkirkara, Malta, with a superficial area of approximately 692 square metres; and another site located on Triq id-Dar tal-Kleru, with a superficial area of approximately 495 square metres. On 27 February 2019, it acquired another site located in Triq L-Istazzjon, Birkirkara, Malta with a superficial area of approximately 163 square metres. The three sites were acquired for the purposes of the development of the Birkirkara Development over the said sites. The construction and development of the Birkirkara Development commenced in Q3 2018 by Muscat Holdings and was completed in Q1 2020.

The Birkirkara Development consists of three blocks of residential units and underlying garages / car spaces. One block within the development consists of 14 residential units and nine garages / car spaces. Another block consists of 13 residential units and nine garages / car spaces and a final, third block consists of nine residential units and eight garages. The 13 residential units and nine garages / car spaces forming part of the first block (Block A) were sold between FY2020 and FY2021, save for one garage. The Group does not intend to place the units of the second block of apartments on the market. It has reserved this block of apartments for a third party as settlement of an existing liability. The third block of apartments forming part of the Birkirkara Development consisting of 14 residential units and nine garages / car spaces is leased by Muscat Holdings to Juel Holdings to be used exclusively for short let operational purposes by Juel Holdings.

The aggregate net sales revenue from the sale of the units and garages / car spaces forming part of the first block (Block A) of the Birkirkara Development was €2.9 million. The Birkirkara Development was covered by a full development permit having permit number PA/08596/18 and was financed through bank financing and accumulated reserves.

#### *6.1.1.5 The Kappara Development*

On 13 June 2019, Muscat Holdings acquired a site located on Triq l-Ispanjulett c/w, Triq il-Gallina, in Kappara, San Gwann, Malta with a superficial area of approximately 1,195 square metres over which it subsequently developed the Kappara Development. Construction works commenced in Q3 2019 and the development was fully completed in Q3 2020.

The Kappara Development comprises ten residential units spread over five floors, one commercial outlet at street level and three underlying garages at basement level. The individual units, including both the residential units and the commercial outlet, were constructed, and finished by third party contractors.

The entire Kappara Development was leased by Muscat Holdings to Juel Holdings to be used exclusively for short let purposes by Juel Holdings. At present, the commercial outlet is being used as an office by the Group.

The development was covered by a full development permit having permit number PA/09721/18 and was financed through bank financing and accumulated reserves.

#### 6.1.1.6 The St. Julian's Development

On 7 February 2017, Muscat Holdings acquired a site located in the limits of St. Julian's, Malta, bounded on the southwest by Triq Giuseppe Xerri and on the east with Triq Zammit Clapp and having a superficial area of 840 square metres, over which the St. Julian's Development was developed. Construction works commenced in Q3 2017 and the development was fully completed in Q1 2019.

The St. Julian's Development was the first project undertaken by Muscat Holdings and consists of three blocks of a total of 31 residential units and 23 underlying garages.

All the residential units and garages forming part of the St. Julian's Development have been sold. The aggregate net sales revenue from the sale of units and garages forming part of the St. Julian's Development was €8.4 million. The development was covered by a full development permit having permit number PA/03945/15 and was financed through bank financing and accumulated reserves.

### 6.1.2 Property Developments under Construction

#### 6.1.2.1 The Marsascala Development I

On 25 February 2022, Muscat Holdings II acquired a plot of land located on Triq il-Bahhara c/w Triq il-Gandoffli in Marsascala, Malta, having a superficial area of approximately 1022 square metres, for the purposes of developing the Marsascala Development I over the said land. Construction works on the Marsascala Development I commenced in Q3 2022 and are expected to be completed by Q4 2023.

On completion, the Marsascala Development I shall comprise a total of 28 residential units, which include six maisonettes, one commercial outlet and 35 lock-up garages. The 28 residential units shall comprise a mix of two bedroomed and three bedroomed units. The six maisonettes shall be located at ground floor level whilst the remaining 22 residential units shall be spread over four floors within three blocks and with the 35 lock-up garages located at basement levels. The commercial outlet shall consist of a Class 4A office. The Group plans to place the residential units, garages, and the commercial outlet on the market by Q4 2023. The units / garages shall be targeted at the first-time buyers' segment of the market.

The expected aggregate gross sales revenue from the sale of units and garages forming part of the Marsascala Development I is €7.8 million. The Marsascala Development I is covered by a full development permit having permit number PA/03522/21. The total cost for the construction and finishing of the Marsascala Development I is expected to be in the region of €3.4 million and is being financed through bank financing and accumulated reserves.

#### 6.1.2.2 The Marsascala Development II

On 17 November 2022, Muscat Holdings II acquired three adjacent properties located on Triq il-Hut in Marsascala, Malta, for the purposes of the development of the Marsascala Development II. The Marsascala Development II shall be built across the sites on which the three properties are presently built, which comprise a total superficial area of approximately 540 square metres. Construction works on the Marsascala Development II commenced in February 2023 and are expected to be completed by Q2 2024.

On completion, the Marsascala Development II shall consist of a total of 25 residential units and 18 lock-up garages. The Marsascala Development II is covered by a full development permit having permit number PA/00876/22. On completion, the 25 residential units shall include three maisonettes at ground floor level whilst the remaining 22 apartments shall be spread over five floors and with the 18 lock-up garages at the lower and upper basement levels. The units / garages shall be targeted at the first-time buyers' segment of the market.

The Group plans to place the residential units, garages, and the commercial outlet on the market by Q3 2023. The expected aggregate gross sales revenue from the sale of units and garages forming part of the Marsascala Development II is €6.4 million. The total cost for the construction and finishing of the Marsascala Development II is expected to be in the region of €2.4 million (excluding land cost) and is being financed through bank financing and accumulated reserves.

### 6.1.3 New Identified Property Development Projects

The business strategy of the Group is to identify small to medium-sized property development projects in different localities in Malta. As at the date of this Registration Document, the Group has identified two sites in Imgarr, Malta for property development.

The majority shareholder of the Group, Adrian Muscat, has entered into a promise of sale agreement pertaining to two sites located in Imgarr, Malta. Adrian Muscat has also entered into an agreement with a third party pursuant to which the third party agreed to assign its rights under a promise of sale agreement relating to a site in Imgarr, Malta in favour of Adrian Muscat. Adrian Muscat intends to assign and transfer his rights under the aforementioned agreements to ACMUS Group Limited. The proposed developments are described below:

### 6.1.3.1 Proposed development in Imgarr (site 1)

On 14 September 2022, Adrian Muscat entered into an agreement with a third party pursuant to which the latter agreed to assign his rights to Adrian Muscat under a promise of sale agreement in respect of two adjacent properties in Triq Sir Harry Luke, Imgarr, Malta, which comprise a total superficial area of 280 square metres. The site has been earmarked by the Group to be redeveloped into six three-bedroomed apartments, a three-bedroomed penthouse and an office over five floors, with eight lock-up garages split equally over the ground and basement levels. The street level garages are divided into two one-car garages, a two-car garage, and a three-car garage.

The expected aggregate net sales revenue from the sale of the units and garages forming part of this property development project is expected to be in the region of €3.6 million. As at the date of this Registration Document, the Group has submitted a planning application having application number PA/05846/22 covering the proposed development which is pending approval. The total cost of this development, including acquisition, construction and finishing costs but excluding financing costs shall be approximately €2.5 million. The Group intends to finance such costs through bank financing and shareholder loans. Since the proposed property development is at application stage and is pending approval from the Planning Authority, the Group is not in a position to estimate when construction of the proposed development of the site will commence.

### 6.1.3.2 Proposed development in Imgarr (site 2)

On 6 July 2022, Adrian Muscat entered into a promise of sale agreement to acquire two adjacent properties in Triq San Pawl, Imgarr, Malta, which comprise a total superficial area of 265 square metres. The site over which the said properties are built has been earmarked by the Group to be redeveloped into three two-bedroom apartments, a two-bedroom penthouse and a one-bedroom penthouse over four floors, with six one-car garages and a three-car garage below street level.

The expected aggregate net sales revenue from the sale of the units and garages forming part of this property development project is expected to be in the region of €3.3 million. As at the date of this Registration Document, the Group has submitted a planning application having application number PA/06743/22 covering the proposed development which is pending approval. The total cost of this development including acquisition, construction and finishing costs but excluding financing costs shall be approximately €2 million. The Group intends to finance such costs through bank financing and shareholder loans. Since the proposed property development is at application stage and is pending approval from the Planning Authority, the Group is not in a position to estimate when construction of the proposed development of the site will commence.

## 6.2 RENTAL ACTIVITIES

In addition to its activities in the property development sector, the Group also retains a number of commercial and residential units located across Malta for rental purposes, both on a short-term and a long-term basis. The Group's rental activities are carried out through Juel Holdings. The short-let segment of the Group is operated under the brand "StayMela". The residential units available for rent under the "StayMela" brand are primarily targeted at tourists visiting Malta on a short-term basis which seek a more affordable alternative to hotels.

Juel Holdings, through the brand "StayMela", offers 34 self-serviced rental apartments in the localities of Kappara, Birkirkara (both of which are central towns in Malta) and Luqa (located in the South close to the Malta International Airport). Each apartment is equipped with a fully fitted kitchen. The finishing works for the residential units and common parts within each block have been completed to a high standard and each unit boasts of a modern interior with contemporary furniture and are equipped with all the amenities necessary to ensure the comfort of their visitors. Such amenities include, WiFi, flat screen televisions, bedroom and bathroom linen, air-conditioning, washing machine and dryer, ironing facilities, amongst others. Guests may also utilise indoor parking facilities in each building at a minimal daily fee. The brand operates an online reservation system through its website at <https://www.staymela.com/> albeit units may also be reserved through other online platforms.

Since the commencement of its operations in 2020, the short-let operation of the Group under the "StayMela" brand has had an average of 68% occupancy of the units leased on a short-term basis in the year 2020, 74% occupancy in the year 2021 and 83% occupancy in the year 2022. The Group attributes the success of its operations under the "StayMela" brand to its pricing strategy, high quality services and the comfort and convenience of the residential units. The aggregate net revenue of "StayMela"'s activities in the property rental sector for the year 2022 is in the region of €600,000 (net of tax).

## 6.3 THE HOTEL

The Group intends to extend its operations to the local hospitality sector through Juel Hospitality's ownership and management of the Hotel.

The Hotel is in the process of being constructed and developed over the Hotel Site, which was acquired by the Group in the year 2022. Juel Hospitality, as the owner of the Hotel Site, has engaged the services of third-party contractors for the excavation of the site and the construction and development of the Hotel. Once developed and finished, the Hotel shall be licensed as a Class 3B hotel and will form part of the "HYATT CENTRIC" brand of hotels. Further information on the Hotel is set out in section 6.5 of this Registration Document and in the Valuation Report. The Hotel shall feature 187 hotel rooms, spread over nine floors, of which 27 rooms are interconnected, a spa, pool facilities (indoor and outdoor), a restaurant and lounge.



The hospitality sector is one of the main pillars of the local economy and the tourism industry contributes substantially to the Maltese economy. Given the success and reputation of the “HYATT CENTRIC” brand, management believes that the Hotel, once constructed, shall be a strong contender in the local hospitality market. Moreover, the location of the Hotel is largely popular with tourists given the availability of restaurants, beaches, and nightlife in close proximity to the Hotel. The Hotel is set to open its doors and commence operations in Q4 2024.

Juel Hospitality was granted the non-exclusive right and obligation to use the Hyatt Centric brand, proprietary marks, and systems for the operation of the Hotel under the trade name “Hyatt Centric Malta” and associated proprietary marks. The Hyatt Centric brand forms part of the “Hyatt” collection of hotel brands. Whilst the Hotel shall not be the first “Hyatt” branded hotel in Malta, the Hotel shall be the first hotel in Malta to operate under the “HYATT CENTRIC” brand. The “HYATT CENTRIC” brand seeks to provide guests with a distinct experience from that provided by other “Hyatt” hotels albeit with the same high-quality standards attributable to all “Hyatt” brands. The “HYATT CENTRIC” brand was introduced in 2015 with the aim of providing a more simplistic and tailored approach aimed at business and leisure travellers, through the operation of various hotels in some of the world’s most popular cities, including Montreal, Hong Kong, Dublin, New Delhi, Madrid, and New York.

The “HYATT CENTRIC” brand seeks to target modern explorers who want a full-service hotel with minimum fuss which provides the necessary comforts in a less formalistic and uncomplicated manner. Emphasis is placed on the location and accessibility of the hotels forming part of the “HYATT CENTRIC” brand with each brand hotel being centrally located in the most popular cities and capital cities across the world. “HYATT CENTRIC” brand hotels are characterised by fun and eclectic interior design which focuses on the uniqueness and characteristic features of a hotel’s location. Whilst the same level of standards exists throughout all hotels under the “HYATT CENTRIC” brand, through its choice of services, design and amenities, each hotel seeks to provide its guests with an experience which is characteristic of a hotel’s location ensuring a more immersive and customised holiday experience.

#### 6.4 ACQUISITION OF THE HOTEL SITE

The Hotel shall be built on two adjacent sites located in Swieqi, Malta. By virtue of a deed of sale dated 6 September 2022 in the records of Notary Andre Farrugia, Juel Hospitality purchased the Rocheville Site for the consideration of €9.25 million which was financed by a bond advance facility granted by MZI to the Issuer. The bond advance facility was granted by MZI in anticipation of the Bond Issue and will be repaid through the allotment of Secured Bonds to MZI or such persons as it may direct. If the minimum subscription amount upon which the Bond Issue is conditional is not satisfied, the bond advance facility shall be repaid in cash. As security for the bond advance facility granted by MZI, Equinox International Limited, in its capacity as security trustee, holds a special hypothec and special privilege over the Rocheville Site for the benefit of MZI.

By virtue of a deed of sale dated 15 September 2022 in the records of Notary Andre Farrugia, Juel Hospitality purchased the Sans Souci Site. The purchase price of the property transferred by virtue of this deed of sale was €9.25 million, which was financed through bank financing. Juel Hospitality granted Bank of Valletta, as lender, a special hypothec over the Sans Souci Site (and any developments thereon) for the amount of €8 million, as well as a general hypothec over its assets, present and future, for the same amount.

The Hotel Site has a combined superficial area of 996 square metres.

#### 6.5 PERMITS

The Hotel Site shall be developed into a “hotel” as defined in the Malta Travel and Tourism Services Act (Cap. 409 of the laws of Malta). As at the date of this Registration Document, full development permits with permit PA/7099/21 have been granted for the demolition of the existing structures, the excavation of the site and the construction of four levels below road level and ten floors above road level. The drawings approved in accordance with PA 7099/21 cover 187 hotel rooms, spread over nine floors, of which 27 rooms are interconnected. Seven hotel rooms shall consist of twin interconnected rooms.

In accordance with the full development permit with permit number PA/7099/21, on completion the Hotel will be structured as follows:

Level	Proposed Use
Level -4	conference/three meeting rooms, spa/fitness facilities and indoor pool
Level -3	Office space, stores and staff facilities
Level -2	16 car parking bays, substation, and plant rooms
Level -1	14 car parking bays, plant room and generator room
Level 0	Reception area and hotel rooms
Level 1-8	Hotel rooms
Level 9	Restaurant and pool facility
Level 10	Pool facility

The demolition of the villas constructed on the Hotel Site and excavation works commenced in Q4 2022. The construction, finishing and furnishing of the Hotel is expected to be completed by Q3 2024, following which the Hotel would (subject to and in accordance with, the terms of the Franchise Agreements) open its doors to the public. The costs for the overall construction and finishing expenditure of the Hotel are expected to be in the region of €24,310,000, as detailed below:

Demolition and excavation works	€310,000
Construction	€4,100,000
Finishing and furnishing	€16,000,000
Financial/commission/ancillary costs	€3,900,000

Juel Hospitality has engaged local construction companies to carry out the development works and shall engage several service providers for the purpose of finishing and furnishing the Hotel.

The development, finishing and furnishing costs of the Hotel shall be financed through a mix of bond proceeds of the Bond Issue, a loan of €2 million granted by the Franchisor to the Franchisee and bank financing. The Issuer will on-lend the net bond proceeds it receives from the Bond Issue (amounting to approximately €13,616,700) to Juel Hospitality for the purposes of part funding the construction, development and finishing costs. The construction, development and finishing costs will also be financed through a loan granted by the Franchisor. On 17 March 2022, the Franchisor (in its capacity as lender), Juel Hospitality (in its capacity as borrower) and the Issuer (in its capacity as guarantor) entered into loan agreement pursuant to which the Franchisor granted a loan facility in the amount of €2 million which may be utilised from the opening of the Hotel until the eighth anniversary thereof.

The Hotel is expected to generate gross operating profit per available room (GOPAR) of €22,000 as from financial year 2027.

Further information on the Hotel Site and the Hotel to be developed is included in the Valuation Report.

## 6.6 LICENSES

The Hotel shall be constructed as a Class 3B hotel in terms of the Development Planning (Use Classes) Regulations (Subsidiary Legislation 552.15). Once the Hotel is completed, the Group shall apply to obtain a license to operate the Hotel as a hotel in terms of the Malta Travel and Tourism Services Act (Cap. 409 of the laws of Malta).

## 6.7 THE FRANCHISE AGREEMENTS

By virtue of the Franchise Agreements, Juel Hospitality was granted the right and obligation to utilise the “HYATT CENTRIC” brand and systems in the development and operation of the Hotel in accordance with the Franchise Agreements. This entitles Juel Hospitality to benefit from the authorised use of the proprietary marks and reputation of the brand and regulates the manner in which the Hotel services are provided to its guests and other customers to ensure that the Hotel meets the quality and standards of a “HYATT CENTRIC” brand hotel. Juel Hospitality as owner and operator of the Hotel, must develop and operate the Hotel within the parameters of the Franchise Agreements.

The term of the Hotel franchise pursuant to the Franchise Agreements is for a period of 25 years from the opening of the Hotel and may be further extended for up to two successive periods of five years each upon mutual agreement of Juel Hospitality and the Franchisor. In consideration for Juel Hospitality’s right to benefit from the Franchisor’s brand and systems, Juel Hospitality must pay annual franchisee fees calculated on the gross revenue attributable to the sale of hotel rooms and gross revenue attributable to or payable for food and beverage operations of the Hotel. The Franchise Agreements cater for certain restrictions and requirements on the design, finish, and operation of the Hotel throughout the term of the Franchise Agreements. The Franchisor has the right to terminate the Franchise Agreements in certain circumstances, including where the Franchisee fails to meet quality standards or other requirements set out in the Franchise Agreements.

In order to ensure that Juel Hospitality’s use and operation of the Hotel complies with the terms of the Franchise Agreements, the Franchise Agreements oblige Juel Hospitality to provide the Franchisor with routine information on the operations of the Hotel. Such reporting requirements also extend to matters concerning the ownership and control of Juel Hospitality and the Group as a whole.

## 6.8 MANAGEMENT OF THE HOTEL

Once the Hotel is open to the public, the Hotel shall be operated by Juel Hospitality through an internal management team. For this purpose, Juel Hospitality shall employ skilled and experienced personnel with the necessary qualifications to perform their respective functions and responsibilities. Whilst the operation of the Hotel necessitates the employment of a variety of persons in different roles, the Hotel shall adopt a management structure which allows for the integration of personnel, in a manner which maximizes efficiency.

The management of the Hotel shall be led by a core management team headed by a general manager approved by the Franchisor. Given that the construction and finishing works of the Hotel shall not be completed before Q3 2024, Juel Hospitality has not yet employed a general manager as well as other members of its core management team.

## 7. FUNDING STRUCTURE AND SOLVENCY

There are no recent events particular to the Issuer or the Guarantors which are to a material extent relevant to an evaluation of their respective solvency. Other than as disclosed in this section 7, the Directors are not aware of any material change in the Issuer's borrowing and funding structure since the date of its incorporation and of any material change in the Guarantors' borrowing and funding structure since the end of their latest financial year ending 31 December 2022.

The Directors expect the Issuer's and the Guarantors' working capital and funding requirements to be met by a combination of the following sources of finance: (i) retained earnings and cash flow generated by the Group's operations; (ii) external bank credit and loan facilities; and (iii) the proceeds from the Secured Bonds.

## 8. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

### 8.1 THE BOARD OF DIRECTORS

The Board of Directors consists of five Directors who are entrusted with the overall direction, administration, and management of the Group and which currently consists of one executive Director, one non-executive Director and three independent non-executive Directors.

As at the date of this Registration Document, the Board of Directors is constituted of the names which appear under section 4.1 of this Registration Document.

### 8.2 EXECUTIVE DIRECTOR

Adrian Muscat is the executive Director of the Issuer.

The executive Director of the Issuer is entrusted with the day-to-day management of the Group. The executive Director is supported in this role by several consultants and key management, and benefits from the know-how gained by members and officers of the Group.

### 8.3 NON-EXECUTIVE DIRECTORS

The non-executive Directors' main functions are to monitor the operations and performance of the executive Director, as well as to review any proposals tabled by the executive Director, bringing to the Board the added value of independent judgment.

The non-executive Directors are George Muscat, Mario Camilleri, Robert C. Aquilina and Dennis Gravina.

### 8.4 THE BOARD OF DIRECTORS OF THE GUARANTORS

As at the date of this Registration Document, the board of directors of the Guarantors is constituted of the names which appear under section 4.2 of this Registration Document.

### 8.5 CURRICULA VITAE OF THE DIRECTORS OF THE ISSUER AND THE GUARANTORS

#### Mr. Adrian Muscat (Executive Director of the Issuer and the Guarantors)

Adrian Muscat began his career as a property consultant before moving on to project management. As a founding member and director of Gap Holdings Limited (C 27803), Adrian Muscat has led the project team responsible for on-site management of the projects undertaken by Gap Group since 2001. During the past 21 years, he has been involved in several property development projects relating to the development of residential units in Malta and Gozo. Adrian Muscat is the son of George Muscat who is the ultimate beneficial owner of 50% of the Bay Street Group, and he himself is an indirect minority shareholder of Baystreet. As such, Adrian Muscat regularly attends executive team meetings of the be.Hotel and the Hyatt Regency Malta for the purposes of reviewing the operational performance of both properties and determining the development strategy thereof. Adrian is a director and the sole ultimate beneficial holder of the Issuer.

#### Mr. George Muscat (Non-Executive Director of the Issuer)

George Muscat started his property development and construction business in the 1970s. Over the years, George Muscat has embarked on a variety of projects, from single block residential apartments to large and ambitious projects including the development known as "Fort Cambridge" in Sliema, Malta. George Muscat is a shareholder and director of several companies which do not form part of the GAP Group, but which are involved in the construction, property development, and real estate business, including Gap Holdings Limited (C 27803) which has undertaken various property developments.

As at the date of this Registration Document, under the leadership of George Muscat, the GAP Group has built up a considerable portfolio of residential and commercial developments at prices which service all sectors of the market. George Muscat is also a director and the ultimate beneficial holder of 50% of the equity capital of Bay Street Holdings Limited (C 12058) which owns, manages, and operates the Bay Street Entertainment Complex in Paceville, St Julian's, Malta. The Bay Street Entertainment Complex has today evolved into an entertainment hub with more than 70 retail outlets, restaurants, a language school, a 4-star hotel (be.Hotel) and a 5-star hotel (Hyatt Regency).

#### **Mr. Mario Camilleri (Independent Non-Executive Director of the Issuer)**

Mario Camilleri commenced his professional life at Bank of Valletta where he gained experience in several areas of the banking sector. Throughout his career Mario Camilleri has held several board and committee appointments, and senior management positions in the retail, real estate, commercial property, land-based gaming, hotel and leisure and banking sectors.

Mario Camilleri joined Bank of Valletta in 1987 until the year 2006. Throughout the 19 years he spent at Bank of Valletta, Mario Camilleri progressed from retail banking to international trade finance and corporate banking and finance, in which role he was responsible for a loan portfolio spread mainly over the hotel and leisure, real estate and manufacturing sectors.

Following his departure from the bank in the year 2006, Mario Camilleri was appointed as general manager and eventually, chief executive officer of the Bigbon group of companies. He was employed by the said group for a period of 15 years during which he headed the transition of the group from a family run business to a modern organisation, run by a team of non-family executives. In 2010, Mario was appointed as a director of Main Street Complex plc (C 34767), a publicly listed company.

Combining his banking background with the significant experience he gained in the private sector, Mario Camilleri specialises in the planning and raising of finance and funding requirements to support re-structuring plans and growth strategies, including treasury and financial management and the overseeing and implementation of business plans within organisations. Throughout the years he has been involved in corporate re-organisations, management buy-outs, business mergers, acquisitions and transfers, capital markets listings and the preparation thereof, revision of corporate governance systems, and strategic planning.

Mario Camilleri has a degree in financial services from the London Institute of Banking and Finance. Between 2000 and 2006, Mario was a visiting lecturer at the Maltese branch of the Institute of Financial Services, where he lectured in marketing, sales, and customer service.

#### **Mr. Robert C. Aquilina (Independent Non-Executive Director of the Issuer)**

Robert C. Aquilina joined his family business, Salvo Grima Group in 1973, a business which was established in 1860. He was subsequently appointed as managing director in 1988 and eventually chairman and CEO of the group in 2003. During his tenure, Robert C. Aquilina was instrumental in expanding the group's business from ship suppliers to multiple business activities, including freight forwarding, freeport warehousing, travel retail outlets in Malta and Palma De Mallorca, as well as an FMCG (fast-moving consumer goods) distribution company in the Netherlands. In April 2016, he relinquished his position as CEO of the group and became a non-executive chairman of the Salvo Grima Group Limited (C 2635), in line with the family charter.

Robert C. Aquilina has previously served at public level as chairman of the Malta Shipyards (leading to its privatisation) as well as a director of Enemalta Corporation and the Malta Resources Authority. He has also served as a director at Nordic Offshore Services A/S Denmark (NOS), Valletta Cruise Port p.l.c. (C 26269) and MelitaUnipol Insurance Agency Limited (C 22256).

Robert C. Aquilina has been a member of the Malta Chamber of Commerce since 1983, a council member (for ten years) and senior vice president (for five years) at the International Marine Purchasing Association (IMPA) as well as a founding member of the Airport Tax Free Association and Duty-Free Port Shops Association, Malta.

Robert C. Aquilina is licensed by the MFSA to provide directorship services and sits on the board of directors of a number of Maltese companies including companies regulated by the MFSA and companies having issued debt securities to the public. Robert C. Aquilina acts as chairman of the board of directors of a licensed financial institution and is a member of its compliance / remuneration committee.

#### **Mr. Dennis Gravina (Independent Non-Executive Director of the Issuer)**

Dennis Gravina joined Mid-Med Bank Limited in Malta in 1977, which bank became HSBC Bank Malta plc (C 3177) in 1999. Dennis Gravina has occupied several positions during his 43 year-long career at HSBC Bank Malta plc (C 3177). This came to an end in January 2020 when he occupied the role of head wholesale credit risk and was responsible for the bank's commercial lending decisions. He also set up one of the bank's commercial centres with the objective of the bank providing a more efficient service to the commercial customers. He was also one of the main contributors of the establishment of the corporate branch of the bank through which specialised services and personal attention are provided to established borrowers of the bank. For a number of years, he also managed the bank's lending services department intended at re-directing relationships requiring special attention; the recoveries section as well as the litigation department.

Dennis Gravina joined Attard Bros Group as credit control executive assisting also in the drafting of contracts of supply and is responsible in driving any legal cases.

## 8.6 CURRICULUM VITAE OF THE COMPANY SECRETARY OF THE ISSUER

Dr. Karen Coppini is a warranted advocate in Malta, specialising in corporate and commercial law, with a focus on IT law. She practiced at a local law firm for a number of years, where she was eventually responsible for the commercial law (maritime and aviation) department. Dr. Karen Coppini was also heavily involved in litigation before the courts of Malta as well as arbitration at the Malta Arbitration Centre. She subsequently opened her own legal practice "Coppini Legal". Dr. Karen Coppini has been involved in a number of assignments relating to GDPR compliance, including data audits and Data Protection Impact Assessments (DPIAs). Dr. Karen Coppini advises clients on various IT and commercial matters together with activity regulated by the MFSA, including financial institutions, capital markets and virtual financial assets. Following an examination on virtual financial assets organized by the Malta Institute of Management in 2019, Dr. Karen Coppini is authorised to be appointed as a "designated person" for VFA licensable activity.

Dr. Karen Coppini is authorised to act as a company services provider by the Malta Financial Services Authority. Dr. Karen Coppini has been appointed as company secretary for various companies, including companies listed on the MSE such as Von der Heyden Group Finance plc (C 77266) as well as the group company secretary of Hili Ventures Limited (C 57902), including four of its listed companies: Hili Properties plc (C 57954), Hili Finance Company plc (C 85692), 1923 Investments plc (C 63261), and Premier Capital plc (C 36522). During her appointment as company secretary for the four companies (December 2015 – December 2018) Dr. Karen Coppini worked closely with all departments of the group, advising the group's shareholders, directors and committee members on corporate and commercial matters, compliance procedures and corporate governance.

Dr. Karen Coppini is a lecturer at Global Business School Limited in business law in a digital context and until January 2023 formed part of the executive team of the Malta IT Law Association (MITLA).

## 8.7 MANAGEMENT STRUCTURE

The Issuer is a holding and finance company incorporated under the laws of Malta. The business of the Issuer is managed by the Board of Directors and does not separately employ any senior management. The Directors believe that the present organisational structure is adequate for the current activities of the Issuer. The Directors will maintain this structure under continuous review to ensure that it meets the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance.

The overall management of each Guarantor is entrusted to its board of directors who are the persons responsible for establishing the strategy of each Guarantor, including the responsibility for the appointment of all executive officers and other key members of management.

## 8.8 CONFLICTS OF INTEREST

Adrian Muscat is a director of the Issuer as well as the Guarantors. He is also a director of GAP Group Investments II and is the majority shareholder of the Issuer. George Muscat, who is the father of Adrian Muscat, is a director of the Issuer, Muscat Holdings, Muscat Holdings II, Juel Holdings and of GAP Group Investments II. Conflicts may arise between the potentially diverging interests of the Issuer and the Guarantors, particularly in connection with advances to be made by the Issuer to the applicable Guarantor in undertaking existing or new projects. Other than as stated above, there are no other conflicts of interest or potential conflicts of interest between the duties of Adrian Muscat and George Muscat and their private interests.

The Audit Committee of the Issuer has the task of ensuring that any potential conflicts of interest that may arise at any moment, pursuant to these different roles held by directors, are handled according to law. The presence of an Audit Committee has the task to ensure that any potential abuse is managed, controlled, and resolved in the best interests of the Issuer. Any member of the Audit Committee who has a direct or indirect interest in any contract, transaction or arrangement that is brought before the Audit Committee is prohibited from being present at, and from voting, at any meeting of the Audit Committee during which such contract, transaction or arrangement is being discussed.

The presence of independent non-executive Directors on the Board of the Issuer aims to minimise the possibility of any abuse of control by its majority shareholder. Furthermore, in terms of the Memorandum and Articles of Association of the Issuer, in the event that a Director has a personal material interest, either directly or indirectly, in any contract or arrangement with the Issuer, such Director is not entitled to vote on any decisions taken in connection therewith. This ensures that any director sitting on the boards of the Guarantors and the Issuer is precluded from using his vote on any decisions involving a contract or arrangement between the Guarantors and the Issuer.

## 8.9 BOARD PRACTICES

### 8.9.1 Audit Committee

The Audit Committee's primary objective is to assist the Board of Directors in fulfilling its oversight responsibilities over the financial reporting processes, financial policies, and internal control structure. The Audit Committee oversees the conduct of the internal and external audit and acts to facilitate communication between the Board, management, and the internal and external auditors. The external auditors are invited to attend Audit Committee meetings. The Audit Committee reports directly to the Board.

The terms of reference of the Audit Committee include support to the Board in its responsibilities in dealing with issues of risk, control and governance, and associated assurance of the Issuer. The Board has set formal terms of establishment and the terms of reference of the Audit Committee which set out its composition, role and function, the parameters of its remit as well as the basis for the processes that it is required to comply with.

Briefly, the Audit Committee is expected to deal with and advise the Board of Directors on:

- (a) its monitoring responsibility over the financial reporting processes, financial policies, and internal control structures;
- (b) maintaining communications on such matters between the Board, management, and the external auditors; and
- (c) preserving the Issuer's assets by assessing the Issuer's risk environment and determining how to deal with those risks.

In addition, the Audit Committee has the role and function of evaluating any proposed transaction to be entered into by the Issuer and a related party to ensure that the execution of any such transaction is at arm's length, on a commercial basis and ultimately in the best interests of the Issuer.

Furthermore, the Audit Committee has the role of assessing any potential conflicts of interest between the duties of the Directors and their respective private interests or duties unrelated to the Issuer.

All three Directors sitting on the Audit Committee are independent non-executive Directors. Audit Committee members are appointed for a period of three years, unless terminated earlier by the Board.

Mario Camilleri is the independent non-executive Director who is competent in accounting and, or auditing matters in terms of the Capital Markets Rules. The chairman of the Audit Committee, appointed by the Board, is entrusted with reporting to the Board on the workings and findings of the Audit Committee. Mario Camilleri occupies the post of chairman of the Audit Committee.

Pursuant to its terms of reference, the Audit Committee's remit covers the Issuer and each of the Guarantors.

### **8.9.2 Compliance with the Code of Corporate Governance**

Prior to the present Prospectus, the Issuer was not regulated by the Capital Markets Rules and accordingly was not required to comply with the Code of Principles of Good Corporate Governance forming part of the Capital Markets Rules (the "Code"). As a consequence of the Bond Issue, the Issuer shall comply with the Code to the extent that this is considered complementary to the size, nature, and operations of the Issuer as a debt issuer.

The Issuer supports the Code and is confident that the application thereof shall result in positive effects accruing to the Issuer.

Going forward, in view of the reporting structure adopted by the Code, the Issuer shall, on an annual basis in its annual report, explain the level of the Issuer's compliance with the principles of the Code, in line with the "comply or explain" philosophy of the Code, explaining the reasons for non-compliance, if any.

As at the date of this Registration Document, the Board considers the Issuer to be in compliance with the Code save for the following exceptions:

**Principle 7** (Evaluation of the Board's Performance): The Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the Board's performance is evaluated on an ongoing basis by, and is subject to the constant scrutiny of the Board itself (half of which is composed by independent non-executive Directors), the Issuer's shareholders, the market and all of the rules and regulations to which the Issuer is subject as a company with its securities listed on a regulated market.

**Principle 8** (Committees): The Board considers that the size and operations of the Issuer do not warrant the setting up of remuneration and nomination committees. In particular, the Issuer does not believe it is necessary to establish a nomination committee as appointments to the Board are determined by the shareholders of the Issuer in accordance appointment process set out in the Issuer's Memorandum and Articles of Association. The Issuer considers that the members of the Board possess the level of skill, knowledge and experience expected in terms of the Code.

**Principle 9** (Relations with Shareholders and with the Market): currently there is no established mechanism disclosed in the Memorandum and Articles of Association of the Issuer to trigger arbitration in the case of conflict between the minority shareholders and the controlling shareholders. In any such cases should a conflict arise, the matter is dealt with in the Board meetings and through the open channel of communication between the Issuer and the minority shareholders via the office of the company secretary. In addition, such requirement in the Code is, in the Board's view, targeted at equity issuers rather than debt issuers.

## 9. MAJOR SHAREHOLDERS

### 9.1 THE ISSUER

As at the date of this Registration Document, all of the issued share capital (other than one non-voting share) of the Issuer is held by Adrian Muscat.

To the best of the Issuer's knowledge, there are no arrangements in place as at the date of this Registration Document the operation of which may at a subsequent date result in a change in control of the Issuer.

### 9.2 THE GUARANTORS

The entire issued share capital of: (i) Juel Holdings; (ii) Juel Hospitality; (iii) Muscat Holdings; and (iv) Muscat Holdings II is held by the Issuer.

There are no arrangements in place as at the date of this Registration Document the operation of which may at a subsequent date result in a change in control of the Guarantors.

## 10. TREND INFORMATION AND FINANCIAL INFORMATION CONCERNING THE ISSUER'S AND THE GUARANTORS' ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES

### 10.1 TREND INFORMATION

The Directors are of the view that the Issuer and each of the Guarantors shall, generally, be subject to the normal business risks associated with the property market in Malta and barring unforeseen circumstances, do not anticipate any likely material adverse effect on the Issuer's and each of the Guarantors' prospects, at least for the next 12 months. Upon completion of development and commencement of operations of the Hotel in 2024, the Group shall be subject to the normal business risks associated with the hospitality industry in Malta.

In 2022, real GDP growth reached 6.9%<sup>1</sup>, which is higher than the 5.7% projected in autumn.<sup>2</sup> The economy showed strong growth in both private and public consumption, which were partially offset by a decrease in gross fixed capital formation. In addition to strong performance by the services sectors in general, the export of tourism services in 2022 rebounded quickly, both in terms of total number of visitors and tourism expenditures, contributing to overall positive economic results.

In 2023, real GDP is forecast to grow at a slower pace, by 3.1%, following a wider economic slowdown in Malta's main trading partners. In 2024, real GDP growth is expected to reach 3.7%, supported by net exports and growth in domestic demand. The strong impulse to growth from the recovery in tourism is however set to moderate in 2024, as tourist flows approach pre-pandemic levels.

Harmonised Index of Consumer Prices (HICP) inflation in 2022 reached 6.1%, despite energy prices being kept at 2020 level by government intervention. The Maltese authorities announced that they will continue limiting energy inflation in 2023 and 2024. Nonetheless, inflation in 2023 is set to remain elevated at 4.3%, due to continuing pressures in food, transport, and imported goods prices. In 2024, inflation is expected to subside to 2.4% as imported price pressures are also set to moderate.<sup>3</sup>

The Group's long-term strategy is to focus on operating the Hotel and on acquiring suitable sites for the development of residential and commercial units. The Directors are cautiously optimistic on the health of the hospitality and property markets in Malta, which opinion is based on the assumption that the international travel for leisure and, or business purposes will continue to grow, the general economy continues on its upward trajectory and that business confidence and disposable income remain positive.

In the near term, the Group will be principally focused on developing the Marsascala Development I and Marsascala Development II and to market the units that shall form part of the aforementioned projects once completed. At the same time, the Group will direct resources towards the development of the Hotel.

There has been no material adverse change in the financial performance and prospects of the Issuer and Guarantors since 31 December 2022 (being the date of the last published unaudited financial statements of each of the Issuer and Guarantors).

### 10.2 HISTORICAL FINANCIAL INFORMATION

The Issuer was incorporated on 24 January 2022. Its first set of audited financial statements relate to the period from 24 January 2022 to 31 December 2022.

Juel Hospitality was incorporated on 18 October 2021. Its first set of audited financial statements relate to the period from 18 October 2021 to 31 December 2022.

<sup>1</sup> National Statistics Office Malta – News Release 036/2023.

<sup>2</sup> European Economic Forecast, November 2022, European Commission Institutional Paper 187, page 104).

<sup>3</sup> European Economic Forecast – Winter 2023 (European Commission Institutional Paper 194 Feb 2023).

The historical financial information pertaining to Muscat Holdings, Muscat Holdings II and Juel Holdings for the financial years ended 31 December 2020, 31 December 2021 and 31 December 2022 has been extracted from the respective audited financial statements.

All the above financial statements are incorporated by reference in this Registration Document and may be accessed at the following hyperlink: <https://juel.mt/investor-relations/>

Pursuant to Regulation (EC) No. 1606/2002 on the application of international accounting standards, the financial statements for the financial years ended 31 December 2020 and 31 December 2021 were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and endorsed by the European Union.

The table below provides a cross-reference list to key sections of the financial statements of (i) Muscat Holdings, Muscat Holdings II and Juel Holdings for the financial years ended 31 December 2020, 31 December 2021, and 31 December 2022; (ii) GAP Group Investments II for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021 and the interim unaudited financial statements for the period commencing 1 January 2022 and ended 30 June 2022; and (iii) of the Issuer and Juel Hospitality for the financial year ended 31 December 2022.

	2019	2020	2021	2022
<b>Muscat Holdings Limited:</b>				
Independent auditor's report		13 - 14	3 - 5	3 - 5
Statement of comprehensive income		3	6	6
Statement of financial position		4	7	7
Statement of changes in equity		-	8	8
Statement of cash flows		-	9	9
Notes to the financial statements		5 - 12	10 - 25	10 - 26
<b>Muscat Holdings (II) Limited:</b>				
Independent auditor's report		11 - 12	3 - 5	3 - 5
Statement of comprehensive income		3	6	6
Statement of financial position		4	7	7
Statement of changes in equity		-	8	8
Statement of cash flows		-	9	9
Notes to the financial statements		5 - 10	10 - 23	10 - 25
<b>Juel Holdings Limited:</b>				
Independent auditor's report		15 - 16	3 - 5	3 - 5
Statement of comprehensive income		3	6	6
Statement of financial position		4	7	7
Statement of changes in equity		-	8	8
Statement of cash flows		-	9	9
Notes to the financial statements		5 - 14	10 - 24	10 - 26
<b>Issuer:</b>				
Independent auditor's report				2 - 5
Statement of comprehensive income				6
Statement of financial position				7
Statement of changes in equity				8
Statement of cash flows				9
Notes to the financial statements				10 - 35
<b>Juel Hospitality Limited:</b>				
Independent auditor's report				3 - 5
Statement of comprehensive income				6
Statement of financial position				7
Statement of changes in equity				8
Statement of cash flows				9
Notes to the financial statements				10 - 26
<b>Gap Group Investments II Limited:</b>				
Independent auditor's report	6 - 9	6 - 8	6 - 8	
Statement of comprehensive income	10	9	9	5
Statement of financial position	11 - 12	10 - 11	10 - 11	6 - 7
Statement of changes in equity	13	12	12	8
Statement of cash flows	14	13	13	9
Notes to the financial statements	15 - 41	14 - 40	14 - 41	10 - 12

There has been no significant change in the financial position of each of the Issuer and Guarantors since 31 December 2022 (being the date of the last financial period for which financial information has been published).



### 10.3 OPERATING AND FINANCIAL REVIEW

Set out below are condensed extracts from the financial statements prepared on a consolidated basis, referred to in section 10.2 above.

#### 10.3.1 The Issuer

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##### Juel Group p.l.c.

##### Consolidated Statement of Comprehensive Income for the year ending 31 December 2022

	<b>Audited</b>
	<b>11 months</b>
	<b>€'000</b>
Revenue	5
Cost of sales	<u>(2)</u>
<b>Gross profit</b>	<b>3</b>
Administrative expenses	<u>(6)</u>
<b>Operating loss</b>	<b>(3)</b>
Net finance costs	<u>2</u>
<b>Loss before tax</b>	<b>(1)</b>
Taxation	<u>2</u>
<b>Profit for the year</b>	<b><u>1</u></b>

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##### Juel Group p.l.c.

##### Consolidated Cash Flow Statement for the year ending 31 December 2022

	<b>Audited</b>
	<b>11 months</b>
	<b>€'000</b>
Net cash from (used in) operating activities	(99)
Net cash from (used in) investing activities	1,260
Net cash from (used in) financing activities	<u>3</u>
<b>Net movement in cash and cash equivalents</b>	<b>1,164</b>
Cash and cash equivalents at beginning of year	<u>-</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>1,164</u></b>

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**Juel Group p.l.c.**  
**Consolidated Statement of Financial Position**  
**as at 31 December 2022**

	<b>Audited</b>
	<b>€'000</b>
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	21,129
Investment property	10,700
	<u>31,829</u>
<b>Current assets</b>	
Inventory	6,188
Trade and other receivables	919
Cash and cash equivalents	1,164
	<u>8,271</u>
<b>Total assets</b>	<b><u>40,100</u></b>
<b>EQUITY</b>	
<b>Capital and reserves</b>	
Called up share capital	10,951
Other equity	(18)
Retained earnings	1
	<u>10,934</u>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Bank borrowings	6,064
Deferred taxation	856
	<u>6,920</u>
<b>Current liabilities</b>	
Bank overdraft and loans	8,000
Bond advance facility	9,488
Trade and other payables	4,758
	<u>22,246</u>
	<b><u>29,166</u></b>
<b>Total equity and liabilities</b>	<b><u>40,100</u></b>

The Issuer was incorporated on 24 January 2022 to act as the holding and finance company of the Group. Other than the acquisition of the Guarantors on 22 December 2022, the Issuer did not undertake any business activity during FY2022. Accordingly, the consolidated statement of comprehensive income for FY2022 primarily comprises the performance of the Guarantors between 23 December 2022 and 31 December 2022.

Non-current assets of the Group as at 31 December 2022 included the following:

- Property, plant and equipment of €21.1 million primarily related to the acquisition of the Hotel Site and development works thereon.
- Investment property amounted to €10.7 million and comprised 34 residential units (14 units in Birkirkara, ten units in Kappara and ten units in Luqa) which the Group manages for short let or long let purposes.

Current assets mainly comprised inventory and cash balances. Inventory predominantly related to property development units at cost.

The Group's equity amounted to €10.9 million as at 31 December 2022. Total liabilities totalled €29.2 million at year end and included bank borrowings and a bond advance facility of €23.6 million (in aggregate) and other creditors of €4.8 million.

10.3.2 The Guarantors

<b>Muscat Holdings Limited</b>			
<b>Income Statement</b>			
<b>for the year ended 31 December</b>			
	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>(€'000)</b>	<b>(€'000)</b>	<b>(€'000)</b>
Revenue	3,021	1,070	-
Cost of sales	(1,895)	(584)	-
<b>Gross profit</b>	<b>1,126</b>	<b>486</b>	<b>-</b>
Administrative expenses	(67)	(86)	(24)
Depreciation	(2)	(2)	(2)
Rental income	35	95	145
<b>Operating profit</b>	<b>1,092</b>	<b>493</b>	<b>119</b>
Gain on revaluation of investment property	-	3,887	-
Interest payable	(113)	(43)	(63)
<b>Profit before taxation</b>	<b>979</b>	<b>4,337</b>	<b>56</b>
Taxation	(161)	(683)	(18)
<b>Profit for the year</b>	<b>818</b>	<b>3,654</b>	<b>38</b>

<b>Muscat Holdings Limited</b>			
<b>Cash Flow Statement</b>			
<b>for the year ended 31 December</b>			
	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>(€'000)</b>	<b>(€'000)</b>	<b>(€'000)</b>
Net cash from / (used in) operating activities	2,443	579	(2,240)
Net cash from / (used in) investing activities	(1,283)	(86)	-
Net cash from / (used in) financing activities	(1,549)	(808)	2,179
<b>Net movement in cash and cash equivalents</b>	<b>(389)</b>	<b>(315)</b>	<b>(61)</b>
Cash and cash equivalents at beginning of period/year	1,219	830	515
<b>Cash and cash equivalents at end of period/year</b>	<b>830</b>	<b>515</b>	<b>454</b>

**Muscat Holdings Limited**  
**Statement of Financial Position**  
**as at 31 December**

	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>(€'000)</b>	<b>(€'000)</b>	<b>(€'000)</b>
<b>Non-current assets</b>			
Property, plant and equipment	18	16	13
Investment property	3,727	7,700	7,700
	<u>3,745</u>	<u>7,716</u>	<u>7,713</u>
<b>Current assets</b>			
Inventory - development project	1,654	1,059	1,059
Trade and other receivables	2,395	1,536	3,805
Cash and cash equivalents	830	515	454
	<u>4,879</u>	<u>3,110</u>	<u>5,318</u>
<b>Total assets</b>	<b><u>8,624</u></b>	<b><u>10,826</u></b>	<b><u>13,031</u></b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Called up share capital	200	200	200
Retained earnings	3,813	6,867	6,905
	<u>4,013</u>	<u>7,067</u>	<u>7,105</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Bank loans	-	522	2,800
Deferred tax	-	616	616
	<u>-</u>	<u>1,138</u>	<u>3,416</u>
<b>Current liabilities</b>			
Bank loans	924	60	-
Trade and other payables	2,439	1,178	1,167
Other financial liabilities	1,248	1,383	1,343
	<u>4,611</u>	<u>2,621</u>	<u>2,510</u>
	<b><u>4,611</u></b>	<b><u>3,759</u></b>	<b><u>5,926</u></b>
<b>Total equity and liabilities</b>	<b><u>8,624</u></b>	<b><u>10,826</u></b>	<b><u>13,031</u></b>

**Income Statement**

The first project undertaken by Muscat Holdings consisted of the development of three blocks in St Julian's, Malta comprising 31 units and 23 underlying garages (the St Julian's Development). Construction works commenced in 2017 and the development was fully completed in 2019. All said units and garages have been sold and the majority of contracts were signed in FY2019 and the initial part of FY2020.

Thereafter, Muscat Holdings developed three blocks in Birkirkara, Malta (the Birkirkara Development), of which, one block of 13 units and nine garages were completely sold, save for one garage, between FY2020 and FY2021, a second block of nine units has been committed to a third-party contractor in settlement of a liability of Muscat Holdings, while the third block consisting of 14 units and nine garages was retained for rental purposes as further described below.

In FY2020, Muscat Holdings developed a property in Kappara comprising ten residential units, a street level retail outlet with underlying car spaces (the Kappara Development).

Block 3 in Birkirkara has been leased to Juel Holdings for the purposes of renting such property as short lets under the brand name "StayMela". The Kappara Development (including the retail shop) was leased to a third party through Juel Holdings under a long-term lease agreement which expired on 23 May 2022. Thereafter, the retail shop was converted to an office for use by the Group, while the ten units in the Kappara Development are being used for short let operation purposes by Juel Holdings.

During FY2020 and FY2021, Muscat Holdings generated revenue of €4.1 million from the sale of property units in the St Julian's Development and the Birkirkara Development. Rental income of €130,000 reflects the lease of units in the Birkirkara Development and the Kappara Development to Juel Holdings. The fair value of the afore-stated leased property was increased by €3.9 million in FY2021. Aggregate profit for the financial years under review amounted to €4.5 million.

No property sales were executed during FY2022. As such, revenue for the said year represented rental income from Juel Holdings amounting to €145,000. Overall, Muscat Holdings reported a profit for FY2022 of €38,000.

### Statement of Financial Position

Total assets as at 31 December 2022 amounted to €13.0 million and mainly comprised investment property of €7.7 million and receivables of €3.8 million. The former amount represents the fair value of the leased property forming part of the Birkirkara Development and the Kappara Development (in aggregate, 24 residential units). Receivables primarily include amounts due from related parties.

Equity as at 31 December 2022 amounted to €7.1 million, while total liabilities amounted to €5.9 million. Bank loans of €2.8 million relates to the outstanding balance of the bank facility used to end-finance the acquisition of the Kappara Development site and an equity release facility to inject funds into Juel Hospitality for the acquisition of the two Swieqi sites, forming part of the Hotel Site.

<b>Muscat Holdings (II) Limited</b>			
<b>Income Statement</b>			
<b>for the year ended 31 December</b>			
	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>(€'000)</b>	<b>(€'000)</b>	<b>(€'000)</b>
Revenue	-	8,745	370
Cost of sales	-	(6,332)	(221)
<b>Gross profit</b>	-	<b>2,413</b>	<b>149</b>
Administrative expenses	(3)	(271)	(4)
<b>Operating profit</b>	<b>(3)</b>	<b>2,142</b>	<b>145</b>
Interest payable	-	-	-
<b>Profit/(loss) before taxation</b>	<b>(3)</b>	<b>2,142</b>	<b>145</b>
Taxation	-	(431)	(19)
<b>Profit/(loss) for the year</b>	<b>(3)</b>	<b>1,711</b>	<b>126</b>

<b>Muscat Holdings (II) Limited</b>			
<b>Cash Flow Statement</b>			
<b>for the year ended 31 December</b>			
	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>(€'000)</b>	<b>(€'000)</b>	<b>(€'000)</b>
Net cash from / (used in) operating activities	(578)	4,908	(4,570)
Net cash from / (used in) financing activities	519	(3,193)	3,078
<b>Net movement in cash and cash equivalents</b>	<b>(59)</b>	<b>1,715</b>	<b>(1,492)</b>
Cash and cash equivalents at beginning of period/year	93	34	1,749
<b>Cash and cash equivalents at end of period/year</b>	<b>34</b>	<b>1,749</b>	<b>257</b>

**Muscat Holdings (II) Limited**  
**Statement of Financial Position**  
as at 31 December

	2020	2021	2022
	Audited	Audited	Audited
	(€'000)	(€'000)	(€'000)
<b>Current assets</b>			
Inventory - development project	5,425	266	5,050
Trade and other receivables	4	1,308	903
Cash and cash equivalents	34	1,749	257
	<u>5,463</u>	<u>3,323</u>	<u>6,210</u>
<b>Total assets</b>	<b><u>5,463</u></b>	<b><u>3,323</u></b>	<b><u>6,210</u></b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Called up share capital	1	100	100
Retained earnings	(6)	1,706	1,832
	<u>(5)</u>	<u>1,806</u>	<u>1,932</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Bank Loans	-	-	3,264
	<u>-</u>	<u>-</u>	<u>3,264</u>
<b>Current liabilities</b>			
Bank overdraft and loans	3,216	-	-
Trade and other payables	1,195	536	219
Other financial liabilities	1,057	981	795
	<u>5,468</u>	<u>1,517</u>	<u>1,014</u>
	<b><u>5,468</u></b>	<b><u>1,517</u></b>	<b><u>4,278</u></b>
<b>Total equity and liabilities</b>	<b><u>5,463</u></b>	<b><u>3,323</u></b>	<b><u>6,210</u></b>

**Income Statement**

In 2019, Muscat Holdings II acquired a plot of land situated in Imgarr, Malta and two plots in Naxxar, Malta for the development of the Imgarr Development and the Naxxar Development, respectively. The former project was completed in April 2021 and consisted of 14 residential units and 15 garages. The Naxxar Development was constructed between February 2020 and June 2021 and comprised ten residential units and 12 garages. Other than one garage within the Imgarr Development, all units and garages were sold in FY2021 and FY2022 and generated revenue amounting to €9.1 million. In the financial years under review, Muscat Holdings II registered a net profit (in aggregate) of €1.8 million.

**Statement of Financial Position**

Total assets as at 31 December 2022 amounted to €6.2 million and mainly included property acquisitions and one garage in Imgarr, Malta (inventory – property development project) of €5.1 million.

In February 2022, Muscat Holdings II acquired a plot of land in Triq il-Bahhara, Marsascala, Malta for the purposes of developing 28 residential units, one commercial outlet and 35 lock-up garages. The Marsascala Development I is covered by a fully development permit having permit number PA/03522/21. Construction works commenced in Q3 2022 and are scheduled for completion by Q4 2023 at an estimated cost of *circa* €5.4 million (inclusive of land cost). The project is being funded through bank financing and accumulated reserves. The directors are projecting to generate approximately €7.8 million in gross revenue.

In November 2021, Muscat Holdings II acquired three adjacent properties in Triq il-Hut, Marsascala for the purposes of developing the Marsascala Development II. The site is earmarked to be redeveloped into 25 residential units and 18 lock-up garages. Land acquisition and development costs are expected to amount to €4.4 million and shall be financed through a bank loan facility and accumulated reserves. Construction works commenced in February 2023 and are expected to be completed by Q2 2024. The Marsascala Development II is covered by a full development period having permit number PA/00876/22. The directors are projecting to generate approximately €6.4 million in gross revenue.

Total equity as at 31 December 2022 amounted to €1.9 million, while total liabilities amounted to €4.3 million. The principal amount related to a bank loan of €3.3 million used for the acquisition and development of the Marsascala Development I and the Marsascala Development II.

**Juel Holdings Limited**  
**Income Statement**  
**for the year ended 31 December**

	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>17 months</b>		
	<b>(€'000)</b>	<b>(€'000)</b>	<b>(€'000)</b>
Revenue	673	489	686
Cost of sales	(466)	(210)	(387)
<b>Gross profit</b>	<b>207</b>	<b>279</b>	<b>299</b>
Administrative expenses	(121)	(148)	(242)
Depreciation	(4)	(31)	(34)
<b>Operating profit</b>	<b>82</b>	<b>100</b>	<b>23</b>
Gain on revaluation of investment property	-	1,952	-
Interest payable	-	-	(2)
<b>Profit before taxation</b>	<b>82</b>	<b>2,052</b>	<b>21</b>
Taxation	(2)	(270)	(1)
<b>Profit for the year</b>	<b>80</b>	<b>1,782</b>	<b>20</b>

**Juel Holdings Limited**  
**Cash Flow Statement**  
**for the year ended 31 December**

	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>17 months</b>		
	<b>(€'000)</b>	<b>(€'000)</b>	<b>(€'000)</b>
Net cash from / (used in) operating activities	49	217	(190)
Net cash from / (used in) investing activities	(1,293)	(41)	(15)
Net cash from / (used in) financing activities	1,525	(131)	54
<b>Net movement in cash and cash equivalents</b>	<b>281</b>	<b>45</b>	<b>(151)</b>
Cash and cash equivalents at beginning of year	-	281	326
<b>Cash and cash equivalents at end of year</b>	<b>281</b>	<b>326</b>	<b>175</b>

**Juel Holdings Limited**  
**Statement of Financial Position**  
**as at 31 December**

	2020 Audited (€'000)	2021 Audited (€'000)	2022 Audited (€'000)
<b>Non-current assets</b>			
Property, plant and equipment	1,289	251	232
Investment property	-	3,000	3,000
Deferred income tax	26	-	2
	<u>1,315</u>	<u>3,251</u>	<u>3,234</u>
<b>Current assets</b>			
Inventory - development project	177	130	79
Trade and other receivables	114	816	1,008
Cash and cash equivalents	281	326	175
	<u>572</u>	<u>1,272</u>	<u>1,262</u>
<b>Total assets</b>	<b><u>1,887</u></b>	<b><u>4,523</u></b>	<b><u>4,496</u></b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Called up share capital	1	1	1
Retained earnings	80	1,862	1,882
	<u>81</u>	<u>1,863</u>	<u>1,883</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred tax	-	240	240
	<u>-</u>	<u>240</u>	<u>240</u>
<b>Current liabilities</b>			
Trade and other payables	282	245	178
Other financial liabilities	1,524	2,175	2,195
	<u>1,806</u>	<u>2,420</u>	<u>2,373</u>
	<b><u>1,806</u></b>	<b><u>2,660</u></b>	<b><u>2,613</u></b>
<b>Total equity and liabilities</b>	<b><u>1,887</u></b>	<b><u>4,523</u></b>	<b><u>4,496</u></b>

**Income Statement**

Juel Holdings was established in August 2019 and initiated operations by acquiring a site in Luqa, Malta for the development of two blocks of residential units. One block of apartments was owned jointly with a third party and to date all units have been sold, although the sale contract of one residential unit is yet to be executed. The second block, consisting of ten residential units and ten garages, is being managed for rental purposes under the brand name “StayMela”.

As such, Juel Holdings presently manages for short let or long let purposes 34 residential units – 14 units in Birkirkara, Malta and ten units in Kappara, Malta (owned by Muscat Holdings) and the above-mentioned ten units forming part of the Luqa Development.

Revenue generated by Juel Holdings over the three-year period under review amounted to €1.8 million and operating profit, in aggregate, amounted to €206,000. In FY2021, the fair value of the ten residential units at the Luqa Development was increased by €1.95 million. Overall, Juel Holdings reported profits for the three-year period of €1.9 million.

**Statement of Financial Position**

Total assets as at 31 December 2022 amounted to €4.5 million and principally comprised investment property amounting to €3.0 million (being ten units at the Luqa Development) and trade and other receivables of €1.0 million (mainly consisting of amounts due from shareholder and related parties).

Total equity as at 31 December 2022 amounted to €1.9 million while total liabilities amounted to €2.6 million. The latter amount primarily reflects amounts due to related parties.



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Juel Hospitality Limited Income Statement for the year ended 31 December	2022 Audited 15 months (€'000)
Revenue	-
Cost of sales	-
<b>Gross profit</b>	<b>-</b>
Administrative expenses	(7)
Depreciation	-
<b>Operating loss</b>	<b>(7)</b>
Interest payable	(1)
<b>Loss before taxation</b>	<b>(8)</b>
Taxation	-
<b>Loss for the year</b>	<b>(8)</b>

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Juel Hospitality Limited Cash Flow Statement for the year ended 31 December	2022 Audited 15 months (€'000)
Net cash from / (used in) operating activities	124
Net cash from / (used in) investing activities	(20,883)
Net cash from / (used in) financing activities	21,036
<b>Net movement in cash and cash equivalents</b>	<b>277</b>
Cash and cash equivalents at beginning of year	-
<b>Cash and cash equivalents at end of year</b>	<b>277</b>

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<b>Juel Hospitality Limited</b>	
<b>Statement of Financial Position</b>	
<b>as at 31 December</b>	
	<b>2022</b>
	<b>Audited</b>
	<b>(€'000)</b>
<b>Non-current assets</b>	
Property, plant and equipment	20,883
	<u>20,883</u>
<b>Current assets</b>	
Trade and other receivables	97
Cash and cash equivalents	277
	<u>374</u>
<b>Total assets</b>	<b><u>21,257</u></b>
<b>EQUITY</b>	
<b>Capital and reserves</b>	
Called up share capital	20
Retained earnings	<u>(8)</u>
	<b><u>12</u></b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Other financial liabilities	17,592
	<u>17,592</u>
<b>Current liabilities</b>	
Trade and other payables	229
Other financial liabilities	3,424
	<u>3,653</u>
	<b><u>21,245</u></b>
<b>Total equity and liabilities</b>	<b><u>21,257</u></b>

Juel Hospitality was set up on 18 October 2021 and its main activity since incorporation has been the acquisition of adjacent sites in Swieqi in September 2022, for a consideration of *circa* €18.5 million. The said properties have a superficial area of approximately 996m<sup>2</sup> and are being developed into the Hotel to be operated by Juel Hospitality under the brand "Hyatt Centric Malta". As at 31 December 2022, the carrying value of the Hotel amounted to €20.9 million (accounted for as property, plant and equipment).

Total equity and liabilities amounted to €21.3 million and principally comprised amounts due to related parties (primarily the Issuer).

#### 10.4 PRO FORMA FINANCIAL INFORMATION

The financial information set out in this review represents pro forma consolidated financial information. This pro forma information presents what the Issuer's consolidated statement of financial position would have looked like had the Group existed in its current form, comprising all its current constituent components, as at 31 December 2022.

Details relating to the basis for preparation and the pro forma adjustments for the compilation of the pro forma statement of financial position at 31 December 2022 are available for review on the Issuer's website and is available for inspection as detailed in section 17 of this Registration Document. The pro forma statement of financial position together with the independent accountant's report thereon is incorporated by reference in this Registration Document.

The table below provides a cross-reference list to key sections of the pro forma consolidated financial information:

	<b>Page No.</b>
Independent accountant's report	i - iii
Purpose of the pro forma consolidated financial information	2
Basis of preparation	3
Pro forma consolidated statement of financial position	4
Notes to the pro forma financial information	5 - 14
Statement of pro forma adjustments	15 - 17

A statement of financial position of the Group as at 31 December 2022 including comparatives based on pro forma adjustments as at the same financial period, are set out below:

**Juel Group p.l.c.**  
**Pro forma Consolidated Statement of Financial Position**  
**as at 31 December 2022**

	Audited	Adjustments			Pro forma
	(€'000)	(I) (€'000)	(II) (€'000)	(III) (€'000)	(€'000)
<b>Non-current assets</b>					
Investment property	10,700	-	-	-	10,700
Property, plant and equipment	21,129	-	-	-	21,129
Equity-accounted investees	-	7,915	-	-	7,915
	<u>31,829</u>	<u>7,915</u>	<u>-</u>	<u>-</u>	<u>39,744</u>
<b>Current assets</b>					
Inventory - development project	6,188	-	-	-	6,188
Trade and other receivables	145	-	-	-	145
Amounts due from shareholders	774	-	(774)	-	-
Cash and cash equivalents	1,164	-	-	-	1,164
	<u>8,271</u>	<u>-</u>	<u>(774)</u>	<u>-</u>	<u>7,497</u>
<b>Total assets</b>	<b>40,100</b>	<b>7,915</b>	<b>(774)</b>	<b>-</b>	<b>47,241</b>
<b>EQUITY</b>					
<b>Capital and reserves</b>					
Share capital and premium	10,951	7,915	-	2,092	20,958
Retained earnings	(17)	-	-	-	(17)
	<u>10,934</u>	<u>7,915</u>	<u>-</u>	<u>2,092</u>	<u>20,941</u>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	6,064	-	-	-	6,064
Deferred tax liability	856	-	-	-	856
	<u>6,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,920</u>
<b>Current liabilities</b>					
Bank loans	8,000	-	-	-	8,000
Bond advance facility	9,488	-	-	-	9,488
Trade and other payables	1,892	-	-	-	1,892
Amounts due to related parties	2,851	-	(2,851)	-	-
Amounts due to shareholders	15	-	2,077	(2,092)	-
	<u>22,246</u>	<u>-</u>	<u>(774)</u>	<u>(2,092)</u>	<u>19,380</u>
	<u>29,166</u>	<u>-</u>	<u>(774)</u>	<u>(2,092)</u>	<u>26,300</u>
<b>Total equity and liabilities</b>	<b>40,100</b>	<b>7,915</b>	<b>(774)</b>	<b>-</b>	<b>47,241</b>

The pro forma adjustments include the following:

- I) Represents the inclusion of 33.3% of the voting shares in GAP Group Investments II, which equity stake was acquired by the Issuer on 14 April 2023;
- II) Represents the assignment of related party balances to Mr. Adrian Muscat, the ultimate beneficial owner;
- III) Reflects the capitalisation of amounts due to the shareholder following the adjustment in point (II) above.

On a pro forma basis, total equity of the Group as at 31 December 2022 amounted to €20.9 million.

Total liabilities amounted to €26.3 million, primarily made up of outstanding bank loans amounting to €14.1 million and a bond advance facility of €9.5 million.

Total assets amounted to €47.2 million and principally comprised investment property (residential units used for rental purposes), property, plant, and equipment (the Hotel), investment in GAP Group Investments II and inventory of development projects.

## 11. LEGAL AND ARBITRATION PROCEEDINGS

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened or of which the Issuer or the Guarantors are aware) during the period covering 12 months prior to the date of the Prospectus which may have, or have had in the recent past, significant effects on the Group's financial position or profitability.

## 12. REGULATORY MATTERS

In anticipation of the Bond Issue, MZI granted a facility in the amount of approximately €9.27 million to the Issuer to be utilised for the purposes of the acquisition of the Rocheville Site. The said funds were advanced pursuant to a bond advance facility agreement which provides that the amount of €9.27 million and a premium thereon shall be repaid by the Issuer to MZI either by virtue of the allocation of Secured Bonds in favour of MZI or such persons as it may direct (subject to the Issue of Secured Bonds being completed) or in cash.

MZI advanced funds to the Issuer based on information on the Group's business and its financial position as contained in an offering memorandum published by the Issuer. The offering memorandum related to an offer of an €8 million zero coupon exchangeable global note issued in favour of MZI and the subsequent issue of participation notes by MZI (as global noteholder) in favour of third-party investors which expressed a willingness to invest in the global note. The global note is redeemable unless previously exchanged for bonds issued by the Issuer. The total amount raised by the Issuer pursuant to the offering memorandum was in the amount of approximately €3.98 million. The amount of approximately €5.29 million was raised by MZI separately from the offer made pursuant to the offering memorandum.

The Issuer and MZI were of the view that in light of the nature of the offer made at the time, it was not necessary for such offering memorandum to be submitted for approval by the MFSA. As a result, said offering memorandum was not submitted to the MFSA for its approval, and accordingly the MFSA did not approve the offering memorandum. As at the date of this Registration Document, the MFSA is assessing whether the issuance of the offering memorandum was in line with the Prospectus Regulation and applicable legislation. The Issuer has received a series of letters from the MFSA requiring clarification and supporting evidence in this regard. Whilst the Issuer has responded to the said queries and requests for clarification, should the MFSA take the view that the offering memorandum was not issued in accordance with the Prospectus Regulation and applicable legislation, the Issuer may be subject to regulatory action by the MFSA.

## 13. SHARE CAPITAL

### 13.1 SHARE CAPITAL OF THE ISSUER

As at the date of this Registration Document, the issued share capital of the Issuer is 19,066,227 divided into 19,066,226 Ordinary "A" Shares and one Ordinary "B" Share, each having nominal value of one Euro (€1.00), fully paid-up.

In terms of the Issuer's Memorandum and Articles of Association, none of the capital shall be issued in such a way as would effectively alter the control of the Issuer without the prior approval of the Issuer in a general meeting.

The shares of the Issuer are not listed on the Malta Stock Exchange and no application has been filed for the shares of the Issuer to be quoted on the Malta Stock Exchange.

There is no capital of the Issuer which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Issuer is to be put under option.

### 13.2 SHARE CAPITAL OF THE GUARANTORS

The Guarantors are private companies established under the Act and none of their share capital is admitted to listing or trading on an exchange.

There is no capital of any Guarantor which is currently under option, nor is there any agreement by virtue of which any part of the capital of the company is to be put under option.

The issued share capital of the Guarantors is set out below:

<b>Guarantor</b>	<b>Issued share capital</b>
Juel Holdings	€1,200 divided into 1,200 Ordinary Shares having a nominal value of €1.00 each, fully paid-up.
Juel Hospitality	€20,000 divided into 20,000 Ordinary Shares having a nominal value of €1.00 each, fully paid-up.
Muscat Holdings	€200,000 divided into 200,000 Ordinary Shares having a nominal value of €1.00 each, fully paid-up.
Muscat Holdings II	€100,000 divided into 100,000 Ordinary Shares having a nominal value of €1.00 each, fully paid-up.

### 13.3 MEMORANDUM AND ARTICLES OF THE ISSUER AND THE GUARANTORS

#### 13.3.1 Memorandum and articles of the Issuer

The Memorandum and Articles of Association of the Issuer are registered with the Registrar of Companies at the Malta Business Registry. A full list of the objects for which the Issuer is established is set out in clause three of the Memorandum of Association. These objects include:

- a) to act as a holding company and invest and hold share participations and debentures in any other company, partnership, or business;
- b) to provide management, administration, technical, financial, and professional services and to provide human resources to its subsidiaries and, or associated companies of other companies relative and incidental to its business; and
- c) to obtain loans, overdrafts, credits and other financial and monetary facilities without limitation and otherwise borrow or raise money in such a manner as it shall think fit and to secure the repayment of any money borrowed, raised or owing by privilege, hypothec, mortgage or charge upon the whole or any part of its property and assets (whether present or future) including all or any of the uncalled capital for the time being of the company, and also by similar privilege, hypothec, mortgage or charge to secure and guarantee the performance of the company of any contracts, obligations or liabilities it may undertake.

#### 13.3.2 Memorandum and articles of the Guarantors

The memorandum and articles of association of Muscat Holdings, Muscat Holdings II and Juel Holdings are registered with the Registrar of Companies at the Malta Business Registry. A full list of the objects for which the aforementioned Guarantors is set out in clause four of their respective memorandum of association. The main trading activity of each of the aforementioned Guarantors is:

- (i) to purchase, sell, exchange, improve, mortgage, charge, rent, let on lease, hire, surrender, license, accept surrenders of and otherwise acquire and/or deal with any freehold, leasehold or other immovable property, chattels and effects, erect, pull down, repair, alter, develop, sell or otherwise deal in any immovable property;

The memorandum and articles of association of Juel Hospitality are registered with the Registrar of Companies at the Malta Business Registry. A full list of the objects for which Juel Hospitality is established is set out in clause three of its memorandum of association. The main trading activity of Juel Hospitality is:

- (i) to carry on the business of owners and/or operators of hotels, and of guest houses, restaurants, and catering establishments forming part of such Hotel.

The memorandum and articles of association of all the Guarantors give each respective Guarantor the power:

- (i) to guarantee the payment of moneys whether due to the Company or by any third party, or to guarantee the performance of any contract or obligation in which the Company or any subsidiary of the Company or any associated company of the Company may be interested, even by hypothecation of the Company's property present and future.

## 14. MATERIAL CONTRACTS

Neither the Issuer nor the Guarantors have entered into any material contract not entered into in the ordinary course of their business, which could result in the Issuer, the respective Guarantor or any member of the Group being under an obligation or entitlement that is material to the ability of the Issuer or the Guarantors to meet their obligations in respect of the Secured Bonds.

## 15. PROPERTY VALUATION REPORT

The Issuer commissioned Architect Ruben Sciortino to issue the Valuation Report. The following are the details of Architect Ruben Sciortino:

Business Address: Sorenson, Danny Cremona Street, Hamrun, Malta.  
Qualifications: B.E.&A. (Hons) A.&C.E.

The Valuation Report is incorporated by reference to the Prospectus and is accessible at the following hyperlink: <https://juel.mt/investor-relations/>

## 16. STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Save for the Valuation Report and the financial analysis summary, the Prospectus does not contain any statement or report attributed to any person as an expert.

The financial analysis summary has been included in the form and context in which it appears with the authorisation of the Sponsor, which has given and has not withdrawn its consent to the inclusion of such report herein. The author of the financial analysis summary is Jesmond Mizzi, Managing Director at Jesmond Mizzi. Jesmond Mizzi does not have any material interest in the Issuer.

The Valuation Report has been included in the form and context in which it appears with the authorisation of Architect Ruben Sciortino who has given and has not withdrawn his consent to the inclusion of the report herein. Architect Ruben Sciortino does not have any material interest in the Issuer.

The Issuer confirms that the financial analysis summary and the Valuation Report have been accurately reproduced in the Prospectus and as far as the Issuer is aware and is able to ascertain from the information contained therein, no facts have been omitted which render the reproduced information inaccurate or misleading.

## 17. DOCUMENTS AVAILABLE FOR INSPECTION AND INCORPORATED BY REFERENCE

For the duration of this Registration Document, the following documents are available for inspection at the registered address of the Issuer and are incorporated by reference in the Prospectus:

- (a) the audited financial statements of: (i) Juel Holdings for the period commencing on 8 August 2020 to 31 December 2020, the financial year ended 31 December 2021 and the financial year ended 31 December 2022; (ii) Muscat Holdings for the three financial years ended 31 December 2020, 31 December 2021 and 31 December 2022; (iii) Muscat Holdings II for the three financial years ended 31 December 2020, 31 December 2021 and 31 December 2022; (iv) Juel Hospitality for the period commencing on 18 October 2021 to 31 December 2022; and (v) the Issuer for the period commencing on 24 January 2022 to 31 December 2022, all of which are accessible at the following hyperlink: <https://juel.mt/investor-relations/>;
- (b) the audited financial statements of GAP Group Investments II for the three financial years ended 31 December 2019, 31 December 2020 and 31 December 2021 and the interim unaudited financial statements for the period commencing 1 January 2022 and ended 30 June 2022 of GAP Group Investments II, all of which are accessible at the following hyperlink: <https://juel.mt/investor-relations/>;
- (c) the pro forma statement of financial position of the Issuer as at 31 December 2022, accessible at the following hyperlink: <https://juel.mt/investor-relations/>;
- (d) the financial analysis summary, prepared by the Sponsor and dated 6 June 2023, accessible at the following hyperlink <https://juel.mt/investor-relations/>; and
- (e) the Valuation Report, accessible at the following hyperlink: <https://juel.mt/investor-relations/> .

Copies of the memorandum and articles of association of the Issuer and each of the Guarantors are also available for inspection in electronic form on the Issuer's website at [www.juel.mt](http://www.juel.mt).

The Trust Deed is available for inspection at the registered address of the Issuer.