

SECURITIES NOTE

Dated 22 August 2023

This document is a Securities Note issued in accordance with the provisions of the Prospectus Regulation. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Issuer.

In respect of an issue of up to €5,000,000 7.4% Unsecured Notes 2026 of a nominal value of €1,000 per Note, issued and redeemable at par by



VON DER HEYDEN GROUP

VON DER HEYDEN GROUP FINANCE P.L.C.

a public limited liability company registered in Malta with company registration number C 77266

*Guaranteed by

TIMAN INVESTMENTS HOLDINGS LIMITED

a private limited liability company registered in Malta with company registration number C 63335

ISIN: MT0001401224

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

THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY HAS ONLY APPROVED THIS SECURITIES NOTE 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 SECURITIES THAT ARE THE SUBJECT OF THIS SECURITIES NOTE. IN PROVIDING THIS AUTHORISATION, THE MALTA FINANCIAL SERVICES AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENTS AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENTS.

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 SECURITIES.

THESE SECURITIES MAY NOT BE SUITABLE FOR ALL TYPES OF INVESTORS. A POTENTIAL INVESTOR SHOULD NOT INVEST IN THE SECURITIES UNLESS: (I) HE/SHE HAS THE NECESSARY KNOWLEDGE AND EXPERIENCE TO UNDERSTAND THE RISKS RELATING TO THIS TYPE OF FINANCIAL INSTRUMENT; (II) THE SECURITIES MEET THE INVESTMENT OBJECTIVES OF THE POTENTIAL INVESTOR; AND (III) SUCH PROSPECTIVE INVESTOR IS ABLE TO BEAR THE INVESTMENT AND FINANCIAL RISKS WHICH RESULT FROM INVESTMENT IN THESE SECURITIES.

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 SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN FINANCIAL ADVISER. A PROSPECTIVE INVESTOR SHOULD MAKE HIS OR HER OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE SECURITIES SUBJECT OF THIS SECURITIES NOTE.

Legal Counsel



Nominee & Placement Agent



APPROVED BY THE DIRECTORS

Antonio Fenech

in his capacity as Director of the Issuer and for and on behalf of
Javier Errejón Sainz de la Maza, Jozef Bronislaw Borowski, Joseph Muscat and Karen Coppini

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IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON AN ISSUE BY VON DER HEYDEN GROUP FINANCE PLC (THE “ISSUER”) OF UP TO €5,000,000 UNSECURED NOTES 2026 OF A NOMINAL VALUE OF €1,000 PER NOTE ISSUED AT PAR AND BEARING INTEREST AT THE RATE OF 7.4% PER ANNUM PAYABLE ANNUALLY ON 22 SEPTEMBER OF EACH YEAR AND GUARANTEED BY TIMAN INVESTMENTS HOLDINGS LIMITED. THE NOMINAL VALUE OF THE NOTES SHALL BE REPAYABLE IN FULL AT MATURITY ON THE REDEMPTION DATE UNLESS OTHERWISE PREVIOUSLY REPURCHASED FOR CANCELLATION (THE “GLOBAL NOTE”).

THIS SECURITIES NOTE SETS OUT THE CONTRACTUAL TERMS UNDER WHICH THE GLOBAL NOTE IS ISSUED BY THE ISSUER IN FAVOUR OF THE NOMINEE AND THE SUBSEQUENT TRANSFER OF PARTICIPATIONS IN THE GLOBAL NOTE THROUGH THE ISSUE OF PARTICIPATION NOTES, WHICH TERMS SHALL REMAIN BINDING UNTIL THE REDEMPTION DATE OF THE GLOBAL NOTE. NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SECURITIES OF THE ISSUER OTHER THAN THOSE CONTAINED IN THIS SECURITIES NOTE AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS OR ADVISERS.

THE 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 SECURITIES ISSUED BY THE ISSUER: (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 SECURITIES 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 AND THE GURANTOR 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 SECURITIES NOTE IS VALID FOR A PERIOD OF TWELVE (12) MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THE SECURITIES NOTE 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 SECURITIES ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH SECURITIES 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 SECURITIES 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 SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS 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. IT IS THE RESPONSIBILITY OF PERSONS WHO HAVE POSSESSION OF THIS DOCUMENT TO INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

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



A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE FINANCIAL MARKETS ACT AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES AT THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE ACT.

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

THE ADVISERS TO THE ISSUER AND THE GURANTOR NAMED IN THE REGISTRATION DOCUMENT UNDER THE HEADING “**ADVISERS**” IN SECTION 4.3. OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND THE GUARNATOR 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.

NOTES ARE ISSUED AS SUBJECT TO THE TERMS AND CONDITIONS AS SET OUT IN THIS SECURITIES NOTE, AND THE RELEVANT SCHEDULES OF THE FIDUCIARY AGREEMENT. **INVESTORS PARTICIPATING IN THE GLOBAL NOTE THROUGH SUBSCRIPTION FOR PARTICIPATION NOTES ARE ENTITLED TO THE BENEFIT OF, ARE BOUND BY, AND ARE DEEMED TO HAVE NOTICE OF, ALL THE PROVISIONS OF THE FIDUCIARY AGREEMENT APPLICABLE TO THEM.**

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

UNLESS INCORPORATED BY REFERENCE IN THIS SECURITIES NOTE, THE CONTENTS OF THE ISSUER’S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER’S WEBSITE DO NOT FORM PART OF THIS PROSPECTUS AND NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITE AS THE BASIS FOR A DECISION TO INVEST IN THE SECURITIES.

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

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 SECURITIES.



1. DEFINITIONS

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

Applicant/s	any person or persons, natural or legal, who subscribes for the Participation Notes;
Applications	the application to subscribe for Participation Notes made by an Applicant/s through the Nominee and the Placement Agent in accordance with the terms of this Securities Note;
Business Day	any day between Monday and Friday, both days included, on which commercial banks in Malta settle payments and are open for normal banking business;
CET	Central European Time;
Civil Code	the Civil Code (Cap. 16 of the laws of Malta);
Fiduciary Agreement	the agreement entered into by and between the Issuer and the Nominee and Placement Agent dated 22 August 2023;
Fiduciary Asset	the rights attaching to and emanating from the Global Note and the Fiduciary Agreement including the right of payment of principal and interest under the Global Note;
Interest Payment Date	22 September of each year between and including each of the years 2024 and the year 2026, provided that if any such day is not a Business Day such Interest Payment Date will be carried over to the next following day that is a Business Day;
Issue Date	expected on 22 September 2023;
Noteholders	Collectively the holder of the Global Note and the holders of the Participation Notes;
Offer Amount	up to €5,000,000;
Offer Price	the price of €1,000 per Participation Note;
Offer Period	the period between 08:30 hours CET on 28 August 2023 and 12:00 hours CET on 15 September 2023 during which the Participation Notes representing the Global Note are to be issued, PROVIDED THAT the Offer Period may be extended by the Nominee and Placement Agent by giving written notice thereof to the Issuer by not later than 15 September 2023;
Redemption Date	22 September 2026;
Redemption Value	the nominal value of each Note (€1,000 per Note);
Registration Document	the registration document issued by the Issuer dated 1 June 2023, forming part of the Prospectus;
Registered Investor	the holder of a Participation Note;
Register of Global Noteholders	the register maintained by the Issuer identifying the holder of the Global Note;
Subscription Agreement	the agreement to subscribe for the Participation Notes; and
Terms and Conditions	the terms and conditions of the Offer, set out in Annex A1 and Annex A2 of this Securities Note.

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

- a. Unless it appears otherwise from the context:
- b. words importing the singular shall include the plural and *vice-versa*;
- c. words importing the masculine gender shall include the feminine gender and *vice-versa*;
- d. the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
- e. any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- f. any reference to a person includes that person’s legal personal representatives, successors and assigns;
- g. 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
- h. any reference to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of publication of this Securities Note.

2. RISK FACTORS

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

AN INVESTMENT IN THE NOTES INVOLVES CERTAIN RISKS INCLUDING THOSE DESCRIBED BELOW. 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 THE PROSPECTUS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE NOTES. THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR THAT THE DIRECTORS OF THE ISSUER HAVE ASSESSED TO BE, AT THE DATE OF THIS SECURITIES NOTE, THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS OF THE ISSUER HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT A RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER AND ITS SECURITIES IF SUCH RISK FACTOR WERE TO MATERIALISE.

NEITHER THIS SECURITIES NOTE, NOR ANY OTHER PARTS OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION; OR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE NOMINEE AND PLACEMENT AGENT OR ANY OF THE AUTHORISED THAT ANY RECIPIENT OF THIS SECURITIES NOTE OR ANY OTHER PART OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS OR ANY NOTES, SHOULD PURCHASE ANY PARTICIPATION NOTES. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

2.1 Forward-looking statements

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

Potential investors are advised to read the Prospectus in its entirety and, in particular, all the risks set out in this section and in the section entitled "Risk Factors" in the Registration Document, for a review of the factors that could affect the Issuer's performance. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur.

All forward-looking statements contained in this document are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Issuer and its 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.

2.2 Risks relating to the Notes

2.2.1 *Notes not traded on any regulated market*

The Participation Notes are transferable but shall not be traded on any regulated market or other trading facility and, as a result, there may be no liquid market for the Participation Notes. The market for the Participation Notes may be less liquid than a regulated market or other trading facility and Participation Noteholders may find it more difficult to identify willing buyers for their Participation Notes. Participation Noteholders who wish to sell their Participation Notes may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market for the Participation Notes. The ease of transferability of the Participation Notes depends on factors beyond the Issuer's control which could impact the trading value of the Participation Notes, such as the willingness or otherwise of potential buyers and sellers of the Participation Notes. The trading value of the Notes may also be impacted by other factors, such as the time remaining for maturity of the Global Note and Participation Notes, the outstanding amount of the Global Note and Participation Notes, and the level, direction and volatility of market interest rates generally.

2.2.2 *Status and ranking of the Notes and additional indebtedness or security*

The Global Note and Participation Notes, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer. The Participation Notes shall at all times rank *pari passu* without any priority or preference among themselves and, save for such exceptions as may be provided by applicable law, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer, if any. Any secured or privileged debts of the Issuer shall rank at all times ahead of the obligations of the Issuer under the Global Note and the Participation Notes, as a result of which the Noteholders may not be able to recover their investment in the Global Note and Participation Notes in the case of insolvency or an equivalent situation, whether in full or in part. Furthermore, third party security interests may be registered which will rank in priority to the Global Note against the assets of the Issuer for so long as such security interests



remain in effect, which registration may further impede the ability of the Noteholders to recover their investment upon enforcement of such security interests, whether in full or in part.

2.2.3 Future public offers

No prediction can be made about the effect which any future public offerings of the Issuer's securities (including but not limited to the effects arising out of a change in the cash flow requirements of the Issuer or other commitments of the Issuer vis-à-vis the new security holders), or any takeover or merger activity involving the Issuer will have on the market price of the Notes prevailing from time to time.

2.2.4 Subsequent changes in interest rates

The Notes shall carry fixed interest rates. Investment in the Participation Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Participation Notes. Investors should also be aware that the price of fixed rate debt securities should theoretically move adversely to changes in interest rates. When prevailing market interest rates are rising, their prices decline and conversely, if market interest rates are declining, the prices of fixed rate debt securities rise. This is called market risk since it arises only if a Participation Noteholder decides to sell the Notes before maturity on the secondary market.

2.2.5 Currency of reference

A Participation Noteholder will bear the risk of any adverse fluctuations in exchange rates between the currency of denomination of the Participation Notes (€) and the Participation Noteholder's currency of reference, if different. Such adverse fluctuations may impair the return of investment of the Participation Noteholder in real terms after taking into account the relevant exchange rate.

2.2.6 Amendments to or waivers of the terms and conditions of the Notes

In the event that the Issuer wishes to amend any of the Terms and Conditions of the Global Note it shall call upon the Nominee to call a meeting of Participation Noteholders in accordance with the provisions of sub-section 12 of Annex A2 of this Securities Note. These provisions permit defined majorities to bind all Participation Noteholders, including Participation Noteholders who do not attend and vote at the relevant meeting and Participation Noteholders who vote in a manner contrary to the majority.

2.2.7 Changes in law

The Terms and Conditions of the Global Note and the Terms and Conditions of the Participation Notes are based on Maltese law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Maltese law or administrative practice after the date of this Prospectus.

2.3 Risks relating to the Guarantee

The Notes, as and when issued and allotted, shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Notes by the Guarantor. The Notes shall, at all times, rank *pari passu* without any priority or preference among themselves and with other outstanding and unsecured debt of the Issuer, present and future, if any, save for such exceptions as may be provided by applicable law. Furthermore, third party security interests may be registered which will rank in priority to the Notes against the assets of the Issuer for so long as such security interests remain in effect, which registration may further impede the ability of the Noteholders to recover their investment upon enforcement of such security interests, whether in full or in part.

In view of the fact that the Notes are being guaranteed by the Guarantor on a joint and several basis, the Noteholders shall be entitled to request the Guarantor to pay both the interest due and the principal amount under said Notes if the Issuer fails to meet any amount when due in terms of the Prospectus. The Guarantee also entitles the Noteholders to take action against the Guarantor without having to first take action against the Issuer, if the Issuer fails to pay any sum payable by it to Noteholders pursuant to the Terms and Conditions of the said Notes. The strength of this undertaking on the part of the Guarantor and, therefore, the level of recoverability by the Noteholders from the Guarantor of any amounts due under any of the Notes, is dependent upon and directly linked to the financial position and solvency of the Guarantor.

3. PERSONS RESPONSIBLE

This Securities Note includes information given in compliance with the Prospectus Regulation for the purpose of providing prospective investors with information with regard to the Issuer, the Guarantor and the Offer. Antonio Fenech, Javier Errejón Sainz de la Maza, Joseph M. Muscat, Karen Coppini and Jozef B. Borowski, being all of the Directors of the Issuer as further detailed in sub-section 4.1.1 of the Registration Document, accept responsibility for the information contained in the Prospectus.

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



4. CONSENT FOR USE OF THE PROSPECTUS & AUTHORISATION STATEMENT

4.1 Consent required in connection with use of the Prospectus by the Nominee and Placement Agent

Consent required in connection with the use of the Prospectus by the Nominee and Placement Agent:

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

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

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

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

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

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

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

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

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

Any resale, placement or offering of Participation Notes to an investor by the Nominee and Placement Agent will be made in accordance with any terms and other arrangements in place between such Nominee and Placement Agent and such investor, including as to price, allocations, and settlement arrangements. Where such information is not contained in the Prospectus, it will be the responsibility of the Nominee and Placement Agent at the time of such resale, placement or offering to provide the investor with that information, and the Issuer has no responsibility or liability for such information.

4.2 Statement of authorisation

This Securities Note has been approved by the Malta Financial Services Authority, as the competent authority under the Prospectus Regulation. The Malta Financial Services Authority only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the Notes.



5. KEY INFORMATION

5.1 Reasons for the Issue and use of proceeds

The proceeds from the Offer, which net of the Offer expenses are expected to amount to approximately €4,850,000, will be on-lent by the Issuer to the Guarantor, pursuant to a loan agreement to be entered into between the Issuer and the Guarantor for the purpose, and will be utilised for the following purposes:

1. €3,500,000 will be utilized to refinance part of the development and finishing costs of Villa Diodati, located in Lucca, Italy, as described further in section 5.3 of the Registration Document; and
2. Circa €1,350,000 shall be utilized for the purposes of general corporate funding of the Group.

In the event that the Offer is subscribed for an amount of less than €4,000,000 (the “Minimum Amount”), no allotment of the Notes shall be made, the subscription of Notes shall be deemed not to have been accepted by the Issuer and all money received from Placement Agent shall be returned by the Issuer, acting through the Placement Agent, without interest, by direct credit transfer to the respective the account number indicated in the respective subscription agreement by latest 22 September 2023. Neither the Issuer nor the Placement Agent will be responsible for any loss or delays in transmission of the refunds or any charges in connection therewith.

In the event that the Minimum Amount is reached but the Offer is not fully subscribed, the Issuer will proceed with the Offer of the amount of Notes subscribed for equal to or above the Minimum Amount and the proceeds from the Offer shall be applied for the purpose and in the order of priority set out above. The residual amount required by the Issuer for the purpose of the uses specified in this sub-section 5.1 which shall not have been raised through the Offer shall be financed from the Group’s own funds, bank financing and/or shareholders’ funding.

The issue and allotment of the Notes is conditional upon: (i) the Minimum Amount of €4,000,000 being subscribed for and (ii) the Guarantee being granted in terms of Annex I to this Securities Note. In the event that any one or more of the aforesaid conditions is not satisfied the Nominee and Placement Agent shall return the proceeds of the Offer to the Applicants.

5.2 Estimated expenses and proceeds of the Offer

Professional fees and costs related to publicity, advertising, printing, registration, nominee and placement agent, management, selling commission, and other miscellaneous expenses in connection with this Offer are estimated not to exceed €150,000. There is no particular order of priority with respect to such expenses.

5.3 Offer statistics

Amount:	€5 million;
Denomination:	Euro (€);
Form:	the Global Note will be issued in fully certificated and registered form, without a coupon;
Governing law and jurisdiction:	the Global Note is governed by and shall be construed in accordance with Maltese law and the Maltese courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Global Note;
Interest:	Seven point four per cent (7.4%) <i>per annum</i> payable annually in arrears on the Interest Payment Dates;
Interest Payment Date:	annually on the 22 September of each year between and including each of the years 2024 and 2026, as from 22 September 2024, being the first interest payment date, provided that any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day;
ISIN:	MT0001401224
Issue Date:	22 September 2023;
Listing:	no application has been made, nor is it intended that an application be made, for the Global Notes and Participation Notes to be admitted on a regulated market or other trading platform;
Minimum amount:	should subscriptions for a total of at least €4,000,000 (the “Minimum Amount”) not be received, no allotment of the Notes shall be made, the Applications for Notes shall be deemed not to have been accepted by the Issuer and all money received from Applicants for Notes shall be refunded accordingly;
Minimum amount per Application:	minimum of €5,000 and multiples of €1,000 thereafter, applicable to each subscription agreement and to each underlying Applicant applying for Participation Notes;
Offer Period:	08:30 hours on 28 August 2023 to 14:00 hours on 15 September 2023, both days included;
Plan of distribution:	the Participation Notes are open for subscription through the Nominee and Placement Agent;
Redemption Date:	22 September 2026;



Redemption Value:	at par (€1,000 per Participation Note);
Underwriting:	the Global Note and the Participation Note are not underwritten.

5.4 Interest of natural and legal persons involved in the Issue

Save for possible conflicts of interests arising with respect to the directors of the Issuer and the Guarantor and as detailed in section 8.4 of the Registration Document and save for the possible subscription of the Notes by the Nominee and Placement Agent, and any fees payable to the Nominee and Placement Agent in connection with the Offer, so far as the Issuer is aware no person involved in the Offer has an interest material to the Offer.

5.5 Expected timetable of principal events

1	Offer Period	28 August 2023 - 15 September 2023 at 12:00 CET
2	Commencement of Interest on Notes	22 September 2023
3	Announcement of basis of acceptance through a company announcement	22 September 2023
4	Refunds of unallocated monies, if any	22 September 2023
5	Issuer of Participation Notes certificates	22 September 2023
6	Issue date of Global Note	22 September 2023

6. INFORMATION CONCERNING THE GLOBAL NOTE AND PARTICPATION NOTE

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

6.1 General

- (i) The Issuer is making an offer to the public for participation in the Global Note through the issuance of Participation Notes.
- (ii) The Global Note represents a principal amount of €5,000,000 (five million euro) due by the Issuer to the Nominee and Placement Agent under the terms of the Global Note. The Global Note is redeemable on the Redemption Date.
- (iii) The currency of the Global Note is Euro (€).
- (iv) The Global Note constitutes the general, direct, unconditional and unsecured obligations of the Issuer, and will rank without priority and preference over all other present and future unsecured and unsubordinated obligations of the Issuer.
- (v) The Participation Notes represent participations in the Global Note corresponding to the amount stated in the Participation Notes. A Participation Note represents the proportionate entitlement of a Participation Noteholder to the rights over the Global Note and in particular shall entitle the Participation Noteholder to receive the repayment of principal and interest on the Global Note. By executing the Subscription Agreement, the Participation Noteholder acknowledges and accepts that all enforcement action against the Issuer shall vest in the Nominee and Placement Agent and the Participation Noteholder shall not have the right to make any claim against the Issuer other than through the Nominee and Placement Agent. By subscribing to the Participation Notes, the Participation Noteholders irrevocably authorise the Nominee and Placement Agent for and on their behalf to exercise such rights, powers and discretions as are specifically delegated to it by the terms of the Fiduciary Agreement, together with all such rights, powers and discretions as are incidental thereto, and to give a good discharge for any moneys payable under the Global Note.

6.2 Description of the Offer

- (i) The Offer by the Issuer consists of the issue of up to €5,000,000 (five million euro) 7.4% (seven point four per cent) Global Note 2026, to be issued to the Nominee and Placement Agent pursuant to and under the Terms and Conditions of the Global Note. Investors in Malta can participate in the Global Note by virtue of the subscription to Participation Notes.
- (ii) The Participation Notes relating to the Global Note shall be available for subscription during the Offer Period. Such subscription shall be for an amount of up to €5,000,000 and the Issuer shall make use of such proceeds in the manner set out in sub-section 5.1 above.



- (iii) The Offer Period shall close immediately upon attaining full subscription. The Issuer has not established an aggregate minimum subscription level for the Global Note. Accordingly, in the event that the Participation Notes representing the rights and interests of the Participation Noteholders in the Global Note are not fully subscribed, the subscribed portion of the Global Note shall be allocated in accordance with the terms of this Prospectus.
- (iv) The Global Note and Participation Notes will NOT be listed on the Malta Stock Exchange or on any other regulated market on the Issue Date. The Directors have no intention of submitting an application for the admissibility of the Global Note and Participation Notes to listing and subsequent trading on any regulated market.
- (v) In the event that Applicants applying for Participation Notes have not been allocated any Participation Notes or have been allocated a number of Participation Notes which is less than the number applied for, the respective Applicant shall receive a full refund or, as the case may be, the balance of the price of the Participation Notes applied for but not allocated, without interest by direct credit into the Applicant's bank account as indicated by the Applicant in the Subscription Agreement by not later than 22 September 2023. Neither the Issuer nor the Nominee and Placement Agent will be responsible for any charges, loss or delays in transmission of the refunds. In this regard, any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act, 1994 (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.
- (vi) There are no special rights attached to the Participation Notes other than the right of the Noteholders to payment of interest and capital (as detailed in sub-section 6.5 below).
- (vii) The minimum subscription amount of Participation Notes that can be subscribed for by Applicants is €5,000 and in multiples of €1,000 thereafter.
- (viii) Participation Notes shall be placed by the Nominee and Placement Agent.
- (ix) The issue of the Global Note is made in accordance with the requirements of the Act and the Prospectus Regulation.
- (x) The Global Note and Participation Notes are not underwritten. In the event that the Global Note and Participation Notes are not fully subscribed the Issuer will proceed with the issue of the amount of Notes subscribed for.
- (xi) All Subscription Agreements shall be subject to the Terms and Conditions of the Participation Notes as set out in Annex A2 below, the terms of which shall form an integral part hereof.

6.3 Plan of distribution and allotment

Applications for subscriptions to the Participation Notes may be made through the Nominee and Placement Agent subject to a minimum Application of €5,000 and in multiples of €1,000 thereafter.

It is expected that Participation Notes certificates will be dispatched to Applicants by latest 22 September 2023. The said certificate and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act, 1994 (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.

By not later than 22 September 2023, the Issuer shall announce the results of the Offer through a company announcement.

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

6.4 Status and Ranking of the Global Note

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



6.5 Rights of the Participation Noteholders

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

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

Upon execution of the Subscription Agreement, an investor will also be bound by and be deemed to have notice of, all the provisions of the Fiduciary Agreement and the Terms and Conditions of the Global Note.

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

6.6 Participation Notes

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

6.7 The Nominee and the Placement Agent

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

The Nominee and Placement Agent will be the legal owner of the Fiduciary Asset which consists of the covenants of the Issuer to pay the principal under the Participation Notes and interests thereon and all the rights and benefits emanating from the Fiduciary Agreement. The Nominee and Placement Agent recognises the interests of the Registered Investors and in effect holds the Fiduciary Asset in the interest of and acts for the benefit of the Registered Investors under the Fiduciary Agreement.

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

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

6.8 Interest

The Global Note shall bear interest from and including 22 September 2023 at the rate of 7.4% per *annum* on the nominal value thereof, payable annually in arrears on each Interest Payment Date.

The first interest payment shall be affected on 22 September 2024 (covering the period 22 September 2023 to 21 September 2024). Any Interest Payment Date which falls on a day other than a Business Day shall be carried over to the next following day that is a Business Day.

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



6.9 The Limits of Validity of Claims

In terms of article 2156 of the Civil Code, the right of Noteholders to bring claims for payment of interest and repayment of the principal on the Notes is barred by the lapse of five years.

6.10 Yield

The gross yield calculated on the basis of the Interest, the Offer Price and the Redemption Value of the Notes is 7.4% per annum.

6.11 Redemption and Purchase

Unless previously purchased and cancelled, the Notes shall be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 22 September 2026. Subject to the provisions of this section 6.11, the Issuer may at any time purchase Participation Notes from willing sellers as agreed between both parties from time to time. Any purchase by tender shall be made available to all Participation Noteholders alike. All Participation Notes so redeemed or purchased will be cancelled forthwith and may not be re-issued or re-sold. The Nominee and Placement Agent shall accordingly cancel the participations in accordance with the terms of the Fiduciary Agreement and the Participation Note.

7. TAXATION

7.1 General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Participation Notes, including their acquisition, holding and transfer as well as on any income derived therefrom or on any gains derived on the transfer of such Participation Notes.

The following is a summary of the anticipated tax treatment applicable to Noteholders in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive. The information below is based on an interpretation of tax law and practice relative to the applicable legislation, as known to the Issuer at the date of the Prospectus, in respect of a subject on which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation as well as the levels of tax on the subject matter referred to in the preceding paragraph, may change from time to time.

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

7.2 Malta tax on interest

Since interest is payable in respect of a Secured Bond which is the subject of a public issue and such interest should constitute "investment income" in terms of article 41(a)(iv)(1) of the Income Tax Act, Chapter 123 of the laws of Malta (the "Income Tax Act"), unless the Noteholder elects, by means of an instruction in writing sent to the Issuer in terms of article 35 of the Income Tax Act, to receive the interest gross of any withholding tax, or if the Noteholder does not fall within the definition of "recipient" in terms of article 41(c) of the Income Tax Act, interest shall be paid to such Noteholder net of a final withholding tax, currently at the rate of fifteen percent (15%) (ten percent (10%) in the case of certain types of collective investment schemes) of the gross amount of the interest, pursuant to article 33 of the Income Tax Act. Noteholders who do not fall within the definition of a "recipient" do not qualify for the abovementioned "investment income" final withholding tax and should seek advice on the taxation of such income as special rules may apply.

Article 41(c) of the Income Tax Act defines the term "recipient" for the purposes of the provisions applicable to "investment income", and includes, inter alia, a person (or a receiver, guardian, tutor, curator, judicial sequestrator, trustee, foundation or other fiduciary acting on behalf of a person) who is resident in Malta during the year in which "investment income" is payable to him/her, and EU/ EEA nationals (and their spouse where applicable) who are not resident in Malta for Maltese tax purposes but who apply the tax rates applicable to Maltese residents on the basis that the income that arises in Malta is at least 90% of their worldwide income.

The aforementioned withholding tax is considered a final tax and a Maltese resident individual Noteholder is not obliged to declare the interest so received in his or her income tax return (to the extent that the interest is paid net of tax). No person shall be charged to further tax in respect of such income. Furthermore, such tax should not be available as a credit against the recipient's tax liability or for a refund, as the case may be, for the relevant year of assessment in Malta. The Issuer is required to submit to the Maltese Commissioner for Revenue, the tax withheld by the fourteenth day following the end of the month in which the payment is made. The Issuer will also render an account to the Maltese Commissioner for Revenue



of all payments of qualifying “investment income” as well as an account of the amounts so deducted, including the identity of the recipient.

In the case of a valid election in terms of article 35 of the Income Tax Act made by an eligible Noteholder resident in Malta to receive the interest due without the deduction of final tax, interest will be paid gross and such person will be obliged to declare the interest so received in his or her Maltese income tax return and be subject to tax on such interest at the standard rates applicable to such Noteholder at that time. Additionally, in this latter case the Issuer will advise the Maltese Commissioner for Revenue on an annual basis in respect of all interest paid gross and of the identity of all such recipients. Any such election made by a resident Noteholder at the time of subscription may be subsequently changed by giving notice in writing to the Issuer. Such election or revocation will be effective within the time limit set out in the Income Tax Act.

In terms of article 12(1)(c)(i) of the Income Tax Act, Noteholders who are not resident in Malta and who satisfy the applicable conditions set out in the Income Tax Act should be exempt from tax in Malta on the interest received, they will receive interest gross, subject to the requisite declaration/evidence being provided to the Issuer in terms of law.

7.3 Exchange of information

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

7.4 The Common Reporting Standard and The Directive on Administrative Cooperation

The Organisation for Economic Co-operation and Development (‘OECD’) has developed a global framework, commonly known as the Common Reporting Standard (‘CRS’) for the identification and timely reporting of certain financial information on individuals, and controlling persons of certain entities, who hold financial accounts with financial institutions of participating jurisdictions in order to increase tax transparency and cooperation between tax administrations. Numerous jurisdictions, including Malta, have signed the OECD Multilateral Competent Authority Agreement, which is a multilateral agreement outlining the framework to automatically exchange certain financial and personal information as set out within CRS.

So as to introduce an extended automatic exchange of information regime in accordance with the global standard released by the OECD, CRS has also been adopted in the EU through the implementation of Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of tax information in the field of taxation. This has been transposed in Malta by means of Legal Notice 384 of 2015 amending the Cooperation with Other Jurisdictions on Tax Matters Regulations, Subsidiary Legislation 123.127 (‘CRS Legislation’), and has been applicable since 1 January 2016. In terms of this legal notice, the automatic exchange of information obligations shall extend to jurisdictions that are not EU Member States with which there is a relevant arrangement in place.

Malta based financial institutions (defined as such for the purposes of CRS) are obliged to identify and annually report to the Malta Commissioner for Revenue financial accounts held by a reportable person, as defined under the CRS Legislation, including certain entities with one or more controlling persons, as defined under the CRS Legislation. Financial information relating to the Participation Notes and the holders thereof may fall within the purview of CRS and may be subject to reporting and information exchange provisions.

Under CRS, financial institutions resident in a CRS participating jurisdiction (such as Malta) would be required to apply onerous due-diligence procedures for the identification of reportable accounts. Noteholders may be required to provide certain information and certifications to financial institutions, such as qualifying custodians or any intermediaries, in order to satisfy their obligations under CRS. Certain confidential information in relation to the Noteholders and, or other reportable persons may be reported to the Commissioner for Revenue or other relevant overseas tax authorities and automatically exchanged pursuant to these arrangements with the tax administrations of other participating jurisdictions.

Investors are also advised to assess any reporting obligations in terms of Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements (‘DAC 6’), as transposed into Maltese domestic law by way of Legal Notice 342 of 2019 amending the CRS Legislation.

Investors are advised to seek professional advice in relation to the CRS Legislation and EU Council Directive 2014/107/EU. Not complying with the CRS rules may give rise to certain fines or closure of financial accounts.

7.5 The Exchange of Information (United States of America) (FATCA) Order

The United States of America (‘U.S.’) has enacted rules, commonly referred to as ‘FATCA’, that generally impose a reporting regime and, in some cases withholding requirements, with respect to certain U.S. source payments (including dividends and



interest), gross proceeds from the disposition of property that can produce U.S. source interest and dividends as well as certain payments made by, and financial accounts held with, entities that are classified as financial institutions under FATCA. The U.S. has entered into an intergovernmental agreement with Malta dated 6 December 2013 regarding the implementation of FATCA in Malta which has been implemented into Maltese law through the Exchange of Information (United States of America) (FATCA) Order, Subsidiary Legislation 123.156 (“FATCA Legislation”).

Under the FATCA Legislation, financial institutions in Malta (defined as such for the purposes of FATCA) are required to satisfy applicable due diligence requirements to identify and report financial accounts held by specified U.S. persons, as defined under the FATCA Legislation, and certain non-U.S. entities, which are controlled by U.S. Controlling Persons, as defined under the FATCA Legislation, to the Malta Commissioner for Revenue. The Maltese Government and the Government of the U.S. shall annually exchange the information obtained pursuant to the FATCA Legislation on an automatic basis.

Financial account information in respect of holders of the Notes could fall within the scope of FATCA and they may therefore be subject to reporting obligations. In order to comply with its FATCA obligations, if any, the Issuer and, or its agent may be required to obtain certain information, forms and other documentation on the Noteholders to report information on reportable accounts to the Commissioner for Revenue, in accordance with applicable laws and regulations, which will in turn report this information to the Internal Revenue Service in the U.S. Noteholders should note that a specified U.S. person in terms of FATCA may include a wider range of investors than the current U.S. Person definition referred to in the Terms And Conditions of Application.

Financial institutions reserve the right to request any information and, or documentation required, in respect of any financial account, in order to comply with the obligations imposed under FATCA and any referring legislation. In the case of failure to provide satisfactory documentation and, or information, financial institutions may take such action as it thinks fit, including without limitation, the closure of the financial account.

7.6 Maltese Taxation on Capital Gains Arising on Transfer of the Participation Notes

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

7.7 Duty on documents and transfers

In terms of the Duty on Documents and Transfers Act (Chapter 364 of the laws of Malta), (the “Duty on Documents and Transfers Act”), duty of 2% on the consideration or the real value (whichever is higher) is chargeable *inter alia* on the transfer *inter vivos* or transmission *causa mortis* of a “marketable security”. However, on the basis that the Participation Notes should not fall within the definition of a “marketable security”, defined in the Duty on Documents and Transfers Act as “*a holding of share capital in any company and any document representing the same*”, the transfer/transmission of the Participation Notes should not be chargeable to duty.

THE ABOVE INFORMATION IS BASED ON TAX LAW AND PRACTICE APPLICABLE AS AT THE DATE OF THIS PROSPECTUS, INVESTORS AND PROSPECTIVE INVESTORS ARE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND ANY FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF PARTICIPATION NOTES AS WELL AS INTEREST PAYMENTS MADE BY THE ISSUER. THE ABOVE IS A SUMMARY OF THE ANTICIPATED TAX TREATMENT APPLICABLE TO THE PARTICIPATION NOTES AND TO NOTEHOLDERS. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO NOTEHOLDERS WHO DO NOT DEAL IN SECURITIES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY AND DEPENDS, AMONG OTHER THINGS, ON THE PARTICULAR INDIVIDUAL CIRCUMSTANCES OF THE INVESTORS AND OF THE CLASSIFICATION OF THE PARTICIPATION NOTES FROM A MALTESE TAX PERSPECTIVE.



Annex I Guarantee



Annex I - The Guarantee

Timan Investments Holdings Limited - C 63335 (the "Guarantor")

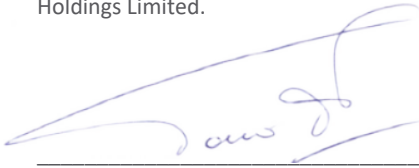
To All Noteholders:

Reference is made to the Offer of up to €5 million 7.4% Unsecured Notes 2026 by Von der Heyden Group Finance plc, a company registered in Malta bearing company registration number C 77266 (the "Issuer"), pursuant to and subject to the Terms and Conditions contained in the Securities Note forming part of the Prospectus dated 22 August 2023.

Now, therefore, by virtue hereof, Timan Investments Holdings Limited (C 63335) hereby stands surety jointly and severally with the Issuer and irrevocably and unconditionally guarantees the due and punctual performance of all the obligations undertaken by the Issuer under the Offer and, without prejudice to the generality of the foregoing, undertakes to pay all amounts of principal and interest which become due and payable by the Issuer to Noteholders under the Offer, within sixty (60) days from the date such amount falls due and remains unpaid by the Issuer.

This Guarantee shall be governed by the laws of Malta.

Signed and executed on this the 22nd day of August 2023, after approval of the board of directors of Timan Investments Holdings Limited.



Antonio Fenech
Director
Timan Investments Holdings Limited
(C 63335)

Interpretation

In this Guarantee, unless the context otherwise requires:

terms and expressions defined in or construed for the purposes of the Prospectus shall have the same meanings or be construed in the same manner when used in this Guarantee, unless defined otherwise in this Guarantee;

“Indebtedness” means any and all monies, obligations and liabilities now or hereafter due, owing or incurred by the Issuer under the Offer to the Noteholders, whether alone and/or with others, in terms of the Prospectus and in any and all cases whether for principal, interest, capitalised interest, charges, disbursements or otherwise and whether for actual or contingent liability; and

“writing” or “in writing” shall mean any method of visual representation and shall include e-mails and other such electronic methods.



1. NATURE OF THE GUARANTEE

The offering of Global Note and the Participation Note that will be made by the Issuer pursuant to the Prospectus will be made with the benefit of the joint and several corporate Guarantee of the Guarantor, the full terms of which are set out in clause 3 below.

2. INFORMATION ABOUT THE GUARANTOR

The information about the Guarantor required pursuant to the Prospectus Regulation may be found in the Registration Document forming part of the Prospectus.

3. TERMS OF THE GUARANTEE

3.1. Covenant to pay

For the purposes of the Guarantee, the Guarantor, as primary obligor, hereby jointly and severally with the Issuer irrevocably and unconditionally guarantees to each Noteholder that if for any reason the Issuer fails to pay any sum payable by it to such Noteholder pursuant to the Terms and Conditions of the Offer detailed in the Securities Note as and when the same shall become due under any of the foregoing, the Guarantor will pay to such Noteholder on written demand the amount payable by the Issuer to such Noteholder. All demands shall be sent to the address stated below in clause 3.11 as the same may be changed by company announcement issued by the Issuer from time to time.

Such payment shall be made in the currency in force in Malta at the time the payment falls due.

All payments shall be made to Noteholders without any withholding for taxes and, in so far as this obligation exists under any law, the payment shall be grossed up by the amount of withholding, and without set-off for any amounts which may be then owing to the Guarantor by the Issuer.

This Guarantee shall apply to the Global Note and the Participation Notes issued on or about 22 September 2023 in accordance with the terms of the Securities Note.

3.2. Guarantor as joint and several surety

The Guarantor will be liable under this Guarantee as joint and several surety with the Issuer.

3.3. Maximum liability

This is a continuing Guarantee for the whole amount due or owing under the Offer or which may hereafter at any time become due or owing under the Offer by the Issuer, but the amount due by the Guarantor to the Noteholders under this Guarantee shall be up to and shall not be in excess of €5,000,000 (five million Euro), apart from interest due up to the date of payment and costs and expenses relating to the protection, preservation, collection or enforcement of the Noteholders' rights against the Issuer and/or the Guarantor, which shall be additional to the maximum sum herein stated.

3.4. Continuing and unconditional liability

The liability of the Guarantor under this Guarantee shall be continuing until such time as the Indebtedness is fully repaid and shall in no way be prejudiced or affected, nor shall it in any way be discharged or reduced, by reason of:

- a) the bankruptcy, insolvency or winding up of the Issuer; or
- b) the incapacity or disability of the Issuer; or
- c) any change in the name, style, constitution, any amalgamation or reconstruction of either the Issuer or the Guarantor; or
- d) a Noteholder conceding any time or indulgence, or compounding with, discharging, releasing or varying the liability of the Issuer or renewing, determining, reducing, varying or increasing any accommodation or transaction or otherwise dealing with the same in any manner whatsoever or concurring in, accepting or in any way varying any compromise, composition, arrangement or settlement or omitting to claim or enforce or extract payment from the Issuer; or
- e) any event, act or omission that might operate to exonerate the Guarantor without settlement in full of the Indebtedness towards the relevant Noteholder.



3.5. Indemnity

As a separate and alternative stipulation, the Guarantor unconditionally and irrevocably agrees that any Indebtedness to be payable by the Issuer but which is for any reason, whether or not now known or becoming known to the Issuer, the Guarantor or any Noteholder, not recoverable from the Guarantor, will nevertheless be recoverable from it as if it were the sole principal debtor and will be paid by it to the Noteholder on demand. This indemnity constitutes a separate and independent obligation from the other obligations in this Guarantee and gives rise to a separate and independent cause of action.

3.6. Representations and warranties

3.6.1. The Guarantor represents and warrants:

- (i) that it is duly incorporated and validly existing under the laws of Malta and has the power to carry on its business;
- (ii) that it has power to grant this Guarantee and that this Guarantee is duly authorised and all corporate action has been taken by the Guarantor in accordance with its deed of constitution and the laws of its incorporation and regulation;
- (iii) that this Guarantee constitutes and contains valid and legally binding obligations of the Guarantor enforceable in accordance with its terms;
- (iv) that this Guarantee does not and will not constitute default with respect to or run counter to any law, by-law, articles of incorporation, statute, rule, regulation, judgement, decree or permit to which the Guarantor is or may be subject, or any agreement or other instrument to which the Guarantor is a party or is subject or by which it or any of its property is bound;
- (v) that this Guarantee shall not result in or cause the creation or imposition of, or oblige the Guarantor to create, any encumbrance on the Guarantor's undertakings, assets, rights or revenues;
- (vi) that it is in no way engaged in any litigation, arbitration or administrative proceeding of a material nature (which for the purposes of this Guarantee shall mean proceedings relative to a claim amounting to at least €1.0 million) and nor is it threatened with any such procedures;
- (vii) that the obligations of the Guarantor under this Guarantee constitute general, direct and unsecured obligations of the Guarantor and rank equally with all its other existing and future unsecured obligations, except for any debts for the time being preferred by law;
- (viii) that it is not in material breach of or in default under any agreement relating to indebtedness to which it is a party or by which it may be bound, nor has any default occurred in its regard; and
- (ix) that all the information, verbal or otherwise, tendered in connection with the negotiation and preparation of this Guarantee is accurate and true and there has been no omission of any material facts.

3.6.2. As from the date of this Guarantee, until such time as the Indebtedness is paid in full to the Noteholders, and for as long as this Guarantee shall remain in force, the Guarantor shall hold true, good and valid all the representations and warranties given under this clause.

3.7. Deposit and production of the Guarantee

The original instrument creating this Guarantee shall be deposited with and be held by the Issuer at its registered address for the benefit of the Noteholders until all obligations of the Guarantor have been discharged in full, and until such time the Guarantor acknowledges the right of every Noteholder to obtain a copy of the instrument creating the Guarantee.

3.8. Subrogation

Until all amounts which may be payable under the terms of the Offer have been irrevocably paid in full, the Guarantor shall not by virtue of this Guarantee be subrogated to any rights of any Noteholder or claim in competition with the Noteholders against the Issuer.

3.9. Benefit of the Guarantee and no assignment

This Guarantee is to be immediately binding upon the Guarantor for the benefit of the Noteholders. The Guarantor shall not be entitled to assign or transfer any of its obligations under this same Guarantee.

3.10. Amendments

The Guarantor has the power to veto any changes to the Terms and Conditions of the Offer which are issued with the benefit of this Guarantee, limitedly in cases in which such amendments may give rise to changes in: (i) the amount payable by the



Guarantor under this Guarantee; (ii) the term and/or frequency of such payments; (iii) the Events of Default listed in Section 10 of Annex A1 and Section 9 of Annex A2 ; and/or (iv) any other term which may otherwise increase the exposure of the Guarantor to the enforcement of this Guarantee.

3.11. Notices

For notification purposes in connection with this Guarantee, the proper address and telephone number of the Guarantor is:

Timan Investments Holdings Limited - C 63335

Address: 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta

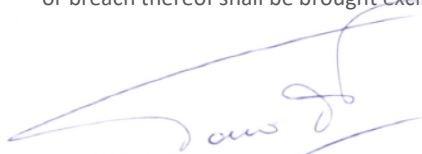
Telephone number: +356 27792200

Contact person: The Company Secretary – Dr Karen Coppini

3.12. Governing law and jurisdiction

This Guarantee is governed by and shall be construed in accordance with Maltese law.

Any dispute, controversy or claim arising out of or relating to this Guarantee or as to the interpretation, validity, performance or breach thereof shall be brought exclusively before the Maltese courts.



Antonio Fenech

Director

Timan Investments Holdings Limited
(C 63335)

Annex A1

TERMS AND CONDITIONS OF THE GLOBAL NOTE



Annex A1– Terms and Conditions of the Global Note

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €5,000,000 7.4% GLOBAL NOTE, REDEEMABLE ON 22 SEPTEMBER 2026 BY VON DER HEYDEN GROUP FINANCE PLC (THE “ISSUER” OR THE “COMPANY”) IN TERMS OF THE FIDUCIARY AGREEMENT AND THE PROSPECTUS.

THE ISSUE OF THE GLOBAL NOTE IS BEING MADE SUBJECT TO THE PROVISIONS OF THE FIDUCIARY AGREEMENT DATED 22 SEPTEMBER 2023 (HEREINAFTER REFERRED TO AS THE “FIDUCIARY AGREEMENT”) AND OF THESE TERMS AND CONDITIONS. A PARTICIPATION NOTEHOLDER AS WELL AS ANY PERSON HAVING AN INTEREST UNDER THE GLOBAL NOTE IS DEEMED TO HAVE INVESTED ONLY AFTER HAVING RECEIVED, READ AND UNDERSTOOD THE CONTENTS OF THIS DOCUMENT AND THEREFORE ONLY AFTER HAVING FULL KNOWLEDGE OF THE INFORMATION CONTAINED IN THIS DOCUMENT AND IS ACCORDINGLY DEEMED TO HAVE ACCEPTED ALL THE TERMS AND CONDITIONS SET OUT IN THIS DOCUMENT AND THE FIDUCIARY AGREEMENT.

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

1 GENERAL

- (a) The issuance of the Global Note has been duly authorised by a resolution of the Board of Directors of the Issuer of 22 September 2023 by virtue of the powers contained in the Memorandum and Articles of Association.
- (b) The Global Note shall be issued to the Nominee and Placement Agent, as nominee for and for the benefit of the Registered Investors, which shall constitute the Fiduciary Asset.
- (c) The Global Note shall constitute the Issuer as the true and lawful debtor of the Offer Amount in favour of the Nominee and Placement Agent on behalf of the Registered Investors.
- (d) Unless previously purchased and cancelled, the Global Note shall be redeemable at the nominal value including accrued but unpaid interest on the Redemption Date.

2 FORM, DENOMINATION AND TITLE

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

3 INTEREST

- (a) The Global Note shall bear interest from and including 22 September 2023 at the rate of 7.4% per annum on the nominal value thereof, calculated and payable annually in arrears by the Issuer on each Interest Payment Date. The first interest payment will be affected on 22 September 2024 (covering the period 22 September 2023 to 21 September 2024). Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.
- (b) The Global Note shall cease to bear interest from and including the Redemption Date unless, upon due presentation, payment of the principal in respect of the Global Note is improperly withheld or refused, or unless the Issuer defaults in respect of payment, in any of which event interest shall continue to accrue at the rate specified above plus one per cent (1%), but in any event not in excess of the maximum rate of interest allowed by Maltese law. In terms of article 2156 of the Civil Code (Chapter 16 of the laws of Malta), the right of Global Noteholders to bring claims for payment of interest and repayment of the principal on the Notes is barred by the lapse of five (5) years.
- (c) When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a three hundred and sixty (360) day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed.



4 STATUS OF THE NOTES AND NEGATIVE PLEDGE

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

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

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

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

Provided that the aggregate Security Interests referred to in (B) and (C) above do not result in the unencumbered assets of the Issuer being less than 106.50% of the aggregate principal amount of the Global Note still outstanding;

"unencumbered assets" means assets which are not subject to a Security Interest.

5 PAYMENTS

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

6 REDEMPTION

- (a) Unless previously purchased and cancelled, the Global Note shall be redeemed at the nominal value (together with interest accrued and which has remained unpaid to the date set for redemption) on the Redemption Date.
- (b) The redemption of the Global Note shall take place by payment of all principal and interest accrued until the date of redemption. The notice of redemption shall be effective only on actual receipt by the Nominee and Placement Agent,



shall be irrevocable and shall oblige the Issuer to make and the Nominee and Placement Agent to accept such redemption on the date specified in the notice.

- (c) All or part of the Global Note being repurchased or redeemed shall be cancelled forthwith and may not be re-issued or re-sold.

7 COVENANTS BY THE ISSUER

- (1) The Issuer hereby covenants in favour of the Nominee and Placement Agent for the benefit of Registered Investors, that at all times during which any of the Global Note shall remain outstanding:
- (a) It shall, until the Global Note has been redeemed, pay to the Nominee and Placement Agent for the benefit of the Participation Noteholders interest at the rate of 7.4% per annum on each Interest Payment Date and the principal amount of the Global Note on the Redemption Date;
- (b) It shall keep proper books of account, and shall deliver to the Nominee and Placement Agent at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified by the auditors of the Issuer respectively and copies of the auditors' and directors' reports thereon, together with copies of any other documents required by law to be attached thereto;
- (c) It shall carry on and conduct its business in a proper and efficient manner.

8 REPRESENTATION AND WARRANTIES

- (1) The Issuer represents and warrants to the Nominee and Placement Agent and each Participation Noteholder, and each of the Nominee and Placement Agent and Participation Noteholder rely on such representations and warranties, that:
- (a) It is duly registered and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its properties and other assets under valid legal title;
- (b) It has the power to execute, deliver, and perform its obligations under this document and the Fiduciary Agreement; and that all necessary corporate, shareholder and other action has been duly taken to authorise the execution, delivery and performance of the same, and further that no limitation on the powers of the Issuer to borrow or guarantee shall be exceeded as a result of the Fiduciary Agreement;
- (c) This document and the Fiduciary Agreement constitute valid and legally binding obligations of the Issuer;
- (d) The execution and performance of its obligations under and in compliance with the provisions of this document and the Fiduciary Agreement by the Issuer shall not: (i) contravene any existing applicable law, statute, rule or regulation or any judgement, decree or permit to which the Issuer is subject; (ii) conflict with or result in any breach of any terms of or constitute a default under any bond or other instrument to which the Issuer is a party, or is subject, or by which it or any of its property is bound; (iii) contravene any provision of the Issuer's Memorandum or Articles of Association;
- (e) No litigation, arbitration or administrative proceeding is taking place, pending or, to the knowledge of the officers of the Issuer, threatened against the Issuer which could have a material adverse effect on its business, assets or financial condition of the Issuer;
- (f) The Prospectus contains all material information with respect to the Issuer and that all information contained therein is in every material respect true and accurate and not misleading and that there are no other facts in relation to the Issuer, its business and financial position, the omission of which would in the context of issue of the Global Note make any statement in the Prospectus misleading or inaccurate in any material respect.
- (2) The Issuer further represents and warrants to the Nominee and Placement Agent and each Participation Noteholder that rely on such representations and warranties, that:
- (a) Every consent, authorisation, approval or registration with, or declaration to governmental or public bodies or authorities or courts, required by the Issuer in connection with the execution, validity, enforceability of the Fiduciary Agreement or the performance of its obligations under the Fiduciary Agreement have been obtained or made and are in full force and effect and there has been no default in the observance of any of the conditions or restrictions, if any, imposed on, or in connection with, any of the same;



- (b) No default mentioned in this document or the Fiduciary Agreement has occurred and is continuing.

9 FUNCTIONS AND POWERS OF THE NOMINEE AND PLACEMENT AGENT

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

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

10 EVENTS OF DEFAULT

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

- (a) the Issuer shall fail to pay any interest on the Global Note when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- (b) the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in the Terms and Conditions of this Annex A1 and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- (c) if the Issuer defaults for sixty (60) days in the payment of any principal monies owing in respect of the redemption of the Global Note when due; and/or
- (d) if a Court order or other judicial process is levied or enforced upon or sued out against any material part of the properties of the Issuer and is not paid out, withdrawn or discharged within one month; and/or
- (e) if the Issuer stops payment of its debts or ceases or threatens to cease to carry on its business; and/or
- (f) if the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise insolvent; and/or



- (g) within the meaning of section 214(5) of the Act, or any statutory modification or re-enactment thereof, a Court order or other judicial process is levied or enforced upon or sued out against any part of the property of the Issuer and is not paid out, withdrawn or discharged within one (1) months; and/or
- (h) if a receiver is appointed of the whole or any material part of the properties of the Issuer and such appointment is certified by the Nominee and Placement Agent to be prejudicial in its opinion to the Registered Investors; and/or
- (i) if an order is made or an effective resolution is passed for winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division the terms of which have been approved in writing by the Nominee and Placement Agent; and/or
- (j) if the Issuer commits a breach of any of the covenants or provisions herein contained and on its part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Nominee and Placement Agent (other than any covenant for the payment of interests or principal monies owing in respect of the Global Note);
- (k) if any representation or warranty made, or deemed to be made, or repeated by, or in respect of the Issuer is or proves to have been incorrect in any material respect;
- (l) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of two million Euro (€2,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; and/or
- (m) if it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder;
- (n) if the Issuer repudiates or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Global Note;
- (o) all, or in the sole opinion of the Nominee and Placement Agent, a material part of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Company are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

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

11 REGISTER OF GLOBAL NOTEHOLDERS

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

12 FURTHER ISSUES

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



13 GOVERNING LAW AND JURISDICTION

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

14 SECURITY

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

15 NOTICES

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



Annex A2

**TERMS AND
CONDITIONS OF
THE
PARTICIPATION
NOTES**



Annex A2– Terms and Conditions of the Participation Notes

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €5,000,000 7.4% PARTICIPATION NOTES, IN TERMS OF THE PROSPECTUS REDEEMABLE ON 22 SEPTEMBER 2026 BY THE NOMINEE AND PLACEMENT AGENT.

THE ISSUE OF THE PARTICIPATION NOTES IS BEING MADE SUBJECT TO THE PROVISIONS OF THE FIDUCIARY AGREEMENT DATED 22 AUGUST 2023 (HEREINAFTER REFERRED TO AS THE “FIDUCIARY AGREEMENT”) AND OF THESE TERMS AND CONDITIONS. A PARTICIPATION NOTEHOLDER AS WELL AS ANY PERSON HAVING AN INTEREST UNDER THE PARTICIPATION NOTES IS DEEMED TO HAVE INVESTED ONLY AFTER HAVING RECEIVED, READ AND UNDERSTOOD THE CONTENTS OF THIS DOCUMENT AND THEREFORE ONLY AFTER HAVING FULL KNOWLEDGE OF THE INFORMATION CONTAINED IN THIS DOCUMENT AND IS ACCORDINGLY DEEMED TO HAVE ACCEPTED ALL THE TERMS AND CONDITIONS SET OUT IN THIS DOCUMENT AND THE FIDUCIARY AGREEMENT.

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

1 GENERAL

- (a) The Global Note shall constitute the Issuer as the true and lawful debtor of the Offer Amount in favour of the Nominee and Placement Agent on behalf of the Registered Investors. The Participation Notes constitute the beneficial interest of the Participation Noteholders in the Global Note including the right to payment of principal and interest under the Global Note.
- (b) The Participation Notes shall bear interest at a rate of 7.4% (seven point four per cent) per annum in accordance with the terms and conditions as set out in the Prospectus.
- (c) The Participation Notes shall be redeemable at their nominal value including accrued but unpaid interest on the Redemption Date.
- (d) The Participation Notes are freely transferable, provided that any individual holder of Participation Notes shall maintain at all times a minimum holding of €5,000 in the said Notes.

2 FORM, DENOMINATION AND TITLE

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

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

- (c) Any such Participation Note issued by the Nominee and Placement Agent in favour of a single or joint Registered Investor shall be for an amount not below five thousand euro (€5,000) and in multiples of one thousand euro (€1,000) each thereafter.



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- (d) Joint Registered Investors shall be entitled to only one entry in the Register of Investors and accordingly to only one Participation Note. Such Participation Note shall be issued and delivered to that joint Registered Investor whose name first appears in the Register of Investors and the Nominee and Placement Agent shall not be bound to register more than three (3) persons as the joint Registered Investors.

3 INTEREST

- (a) The Participation Notes shall bear interest from and including 22 September 2023 at the rate of 7.4% per *annum* on the nominal value thereof, calculated and payable annually in arrears by the Issuer on each Interest Payment Date. The first interest payment will be affected on 22 September 2024 (covering the period 22 September 2023 to 21 September 2024). Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.
- (b) When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a three hundred and sixty (360) day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed.
- (c) The Participation Notes shall cease to bear interest from and including the Redemption Date.

4 PAYMENTS

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

5 REDEMPTION

- (a) Unless previously repurchased and cancelled, the Participation Notes shall be redeemed at their nominal value (together with interest accrued to the date set for redemption) on the Redemption Date.
- (b) Each Registered Investor may, even before the Redemption Date, apply to the Nominee and Placement Agent to have its Participation Notes or any part thereof cancelled, provided that in the case of a request for cancellation, the cancellation request shall be for a minimum face value of €1,000 and multiples of €1,000 thereafter. The Nominee and Placement Agent may, but shall be under no obligation to, accede to such request, to be made in writing, by a Registered Investor.



In the event that the Nominee and Placement Agent accedes to the Registered Investor's request it shall cancel the entry of such Registered Investor in the Register of Investors and the Participation Note of the Registered Investor concerned in whole or in part, as the case may be, for the nominal value of the Participation Note or that part thereof which is being cancelled. In such event (i) the Nominee and Placement Agent shall pay to the Registered Investor concerned the nominal value of that Registered Investor's Participation Notes and accrued and unpaid interest thereon; and (ii) the Nominee and Placement Agent shall be deemed to have a beneficial interest in the Global Note for the value corresponding to the cancellation.

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

6 COVENANTS BY THE ISSUER

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

- (a) It shall, until the Global Note has been redeemed, pay to the Nominee and Placement Agent for the benefit of the Participation Noteholders interest at the rate of 7.4% per annum on each Interest Payment Date and the principal amount of the Global Note on the Redemption Date, subject to the Issuer's option to redeem all or part of the Global Note on an Early Redemption Date.
- (b) It shall keep proper books of account, and shall deliver to the Nominee and Placement Agent at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified by the auditors of the Issuer and copies of the auditors' and directors' reports thereon, together with copies of any other documents required by law to be attached thereto; (c) It shall carry on and conduct its business in a proper and efficient manner.

7 REPRESENTATIONS AND WARRANTIES OF THE ISSUER

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



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

8 FUNCTIONS AND POWERS OF NOMINEE AND PLACEMENT AGENT

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

9 EVENTS OF DEFAULT UNDER THE GLOBAL NOTE

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

- (a) the Issuer shall fail to pay any interest on any Global Note when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- (b) the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in these Terms and Conditions and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- (c) if the Issuer defaults for sixty (60) days in the payment of any principal monies owing in respect of redemption of the Global Note when due; and/or
- (d) if a Court order or other judicial process is levied or enforced upon or sued out against any material part of the properties of the Issuer and is not paid out, withdrawn or discharged within one month; and/or



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- (e) if the Issuer stops payment of its debts or ceases or threatens to cease to carry on its business; and/or
 - (f) if the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent; and/or
 - (g) within the meaning of section 214(5) of the Act, or any statutory modification or re-enactment thereof, a Court order or other judicial process is levied or enforced upon or sued out against any part of the property of the Issuer and is not paid out, withdrawn or discharged within one (1) month; and/or
 - (h) if a receiver is appointed of the whole or any material part of the properties of the Issuer and such appointment is certified by the Nominee and Placement Agent to be prejudicial in its opinion to the Registered Investors; and/or
 - (i) if an order is made or an effective resolution is passed for winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division the terms of which have been approved in writing by the Nominee and Placement Agent; and/or
 - (j) if the Issuer commits a breach of any of the covenants or provisions herein contained and on their part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Nominee and Placement Agent (other than any covenant for the payment of interests or principal monies owing in respect of the Global Note);
 - (k) if any representation or warranty made, or deemed to be made, or repeated by, or in respect of the Issuer is or proves to have been incorrect in any material respect;
 - (l) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of two million Euro (€2,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; and/or
 - (m) if it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder;
 - (n) if the Issuer repudiates or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Global Note;
 - (o) all, or in the sole opinion of the Nominee and Placement Agent, a material part of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Company is seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

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

10 REGISTRATION AND REPLACEMENT OF THE PARTICIPATION NOTES

- (a) A register of the Participation Notes shall be maintained by the Nominee and Placement Agent at its registered office or at such other place in Malta as the Nominee and Placement Agent may determine, wherein there will be entered the names and addresses of the Participation Noteholders and particulars of the Participation Notes held by them respectively and a copy of such register will at all reasonable times during business hours be open to inspection by Participation Noteholders at the registered office of the Nominee and Placement Agent.
- (b) Any person becoming entitled to a Participation Note in consequence of bankruptcy or winding-up of a Participation Noteholder may, upon such evidence being produced as may from time to time properly be required by the Nominee and Placement Agent, request in writing the redemption and cancellation of such Participation Note followed by the issuance of a new Participation Note of the same amount and may elect either to be registered himself as Participation Noteholder or to have some person nominated by him registered as Participation Noteholder. All redemptions are subject to any pledge (duly constituted) of the Participation Notes and to any applicable laws and regulations.
- (c) In the event that any Participation Note represented by certificate shall be worn out, defaced, destroyed or lost, it may be replaced on such evidence being produced and such indemnity (if any) being given as the Nominee and Placement Agent may at its discretion require and in accordance with the Participation Note register, and in the



case of wearing out, or defacement, or change of address of the Participation Noteholder, on delivery of the old certificate, and in the case of destruction or loss, on the execution of such indemnity as is considered necessary, and in any case upon the payment of fifty euro (€50). In case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Nominee and Placement Agent all expenses incidental to the investigation by the Nominee and Placement Agent of the evidence of such destruction or loss and to such indemnity.

- (d) The Nominee and Placement Agent shall be required to provide the Issuer with an updated copy of the register of Participation Noteholders, including extracts therefrom, as may be required by the Issuer from time to time, and the Participation Noteholder shall by entering into the Subscription Agreement relative to the Participation Notes taken up by him be deemed to have given his express, unequivocal and irrevocable consent to the communication of such information to the Issuer.

11 TRANSFERABILITY OF THE PARTICIPATION NOTES

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

12 MEETINGS OF PARTICIPATION NOTEHOLDERS

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



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

13 PARTICIPATION NOTES HELD JOINTLY

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

14 PARTICIPATION NOTES HELD SUBJECT TO USUFRUCT

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

15 GOVERNING LAW AND JURISDICTION

- (a) The Participation Notes and all contractual arrangements arising therefrom are governed by and shall be construed in accordance with Maltese law.



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

16 NOTICES

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

