



EXCEL FINANCE P.L.C.

2 December 2024

SUMMARY



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Dated 2 December 2024

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

In respect of an issue of up to
€50,000,000 5.4% Secured Bonds 2031
of a nominal value of €100 per Bond issued and redeemable at par
ISIN: MT0002851203

by



EXCEL FINANCE P.L.C.

with the joint and several Guarantee of Excel Investments Holdings Limited

SPONSOR &
CO-MANAGER

Calamatta Cuschieri

REGISTRAR
& CO-MANAGER

BOV
Bank of Valletta

SECURITY TRUSTEE

CSB | trustees &
fiduciaries ltd

LEGAL COUNSEL

salibastafrece
LEGAL

THIS SUMMARY HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY, AS COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ONLY APPROVED THIS SUMMARY AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER AND THE SECURITIES THAT ARE THE SUBJECT OF THIS SUMMARY.

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

APPROVED BY

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Joseph Portelli

A blue ink signature with a prominent vertical stroke and several horizontal strokes, written over a dotted line.

Richard Abdilla Castillo

in their capacity as directors of the Issuer and for and on behalf of
Albert Frendo, Jean Paul Debono, Daniel Refalo and Maria Agius

1. INTRODUCTION AND WARNINGS

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

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

Issuer	Excel Finance p.l.c., a public limited liability company registered in Malta, with company registration number C 108732 and legal entity identifier (LEI) number 4851006MHW6MF338XM23.
Address	72, Triq Mattia Preti, Rabat, Għawdex VCT 2833, Malta.
Telephone number	+356 7949 5510
Issuer Website	www.excel-group.eu
Issuer Email	management@excel-group.eu
Competent authority approving the Prospectus	The MFSA, established in terms of the Financial Markets Act (Cap. 345 of the laws of Malta)
Address	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta.
Telephone number	+ 356 2144 1155
MFSA Website	https://www.mfsa.mt
Name of the securities	€50,000,000 5.4% Secured Bonds 2031
ISIN of Bonds	MT0002851203
Prospectus approval date	2 December 2024

Prospective investors are hereby warned that:

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

2. KEY INFORMATION ON THE ISSUER

2.1 • Who is the Issuer of the Bonds?

Domicile and legal form, its LEI and country of incorporation

The Issuer is Excel Finance p.l.c., a public limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta). The Issuer was incorporated and is domiciled in Malta and with legal entity identifier (LEI) number 4851006MHW6MF338XM23.

Principal activities of the Issuer

The Issuer does not undertake any trading activities itself and its sole purpose is that of acting as the finance arm of the Group, principally by raising finance and advancing same to members of the Group. The assets of the Issuer therefore principally consist of loans granted to companies forming part of the Group.

Organisational structure of the Group

The Issuer is fully owned by Excel Investments Holdings Limited (C 94378), which is the Guarantor of the Bond Issue, except for 10 shares. Apart from the Issuer, the Guarantor has other subsidiaries, each of which is involved in one or more business sectors of the Group. Such subsidiaries, which are all fully owned by the Guarantor, include Excel MJD Limited (C 102389), Excel Housing Limited (C 108731) and Excel Property Trading Limited (C 105617).

Major shareholders of the Issuer

The Issuer's majority shareholder is the Guarantor which holds all of the issued shares except for 10 shares (namely 249,990 ordinary shares of a nominal value of €1 each), whereas the 10 remaining shares (namely 10 ordinary shares of €1 each) are held as to 4 by CTJ Holdings Limited (C 81468), 3 by DTX Holdings Limited (C 81466) and 1 each by Margius Limited (C 56400), Jogius Limited (C 56393) and Magius Limited (C 56395), companies owned by the ultimate beneficial owners of the Group. The Guarantor is in turn owned, and the Group is beneficially owned, as to 40% by CTJ Holdings Limited which is in turn owned by Joseph Portelli, as to 30% by DTX Holdings Limited which is in turn owned by Daniel Refalo, as to 10% by Margius Limited which is in turn owned by Mark Agius, as to 10% by Jogius Limited which is in turn owned by Joseph Agius and as to the remaining 10% by Magius Limited which is in turn owned by Maria Agius.

Key managing directors

The board of directors of the Issuer is composed of the following persons: Albert Frendo (Chairman and independent non-executive Director), Jean Paul Debono (independent non-executive Director), Richard Abdilla Castillo (non-executive Director), Joseph Portelli (non-executive Director), Daniel Refalo (executive Director) and Maria Agius (executive Director).

Statutory Auditors

The auditors of the Issuer as of the date of this Summary are Grant Thornton (Malta) of Fort Business Centre, Level 2, Triq l-Intornjatur, Zone 1, Central Business District, Birkirkara CBD 1050, Malta. The Accountancy Board registration number of Grant Thornton (Malta) is AB/26/84/22.

2.2 • What is the key financial information regarding the Issuer?

The Issuer was incorporated on 12 June 2024 and hence, has not published its first set of audited financial statements. The key financial information regarding the Group, of which the Issuer forms part, is found in the relevant section hereunder.

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

The most material risk factor specific to the Issuer is the following:

Dependence of the Issuer on the Group

The Issuer was recently incorporated and has no trading record or history of operations. It does not undertake any trading activities itself and its sole purpose is that of acting as the finance arm of the Group, principally by raising finance and advancing same to members of the Group. Its assets therefore consist primarily of loans issued to Group companies, and the only revenue generating activities of the Issuer is the receipt of principal and interest income received on the said loans. The Issuer is therefore economically

dependent on the operational results, financial condition and performance of its borrower Group companies, principally the Guarantor, which will in turn economically depend on the results and performance of its Subsidiaries, which may in turn be negatively affected by various risks affecting them and their business and operations. Therefore, the risks intrinsic in the business and operations of Group companies, and underperformance of these Group companies, may have an adverse effect on the ability of the Issuer to meet its obligations in connection with the payment of interest and principal under the Bonds.

3. KEY INFORMATION ON THE SECURITIES

3.1 • What are the main features of the securities?

The Bonds are being issued in an aggregate amount of up to €50,000,000 with a nominal value of €100 per Bond issued at par and redeemable at the Redemption Value, namely at par, on 30 December 2031, this being the Redemption Date. The Bonds bear interest at the rate of 5.4% per annum on the nominal value of the Bonds, payable on 30 December of each year, with the first interest payment being due on 30 December 2025 and the last interest payment being due on Redemption Date.

The Bonds shall be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Bonds shall have the following ISIN: MT0002851203. The Bonds shall be freely transferable.

The Bonds constitute the general, direct and unconditional obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and shall rank *pari passu* with all other unsecured and unsubordinated obligations of the Issuer. The Bonds shall be jointly and severally guaranteed in respect of both the interest due and the principal amount by the Guarantor in terms of the Guarantee and they shall also be secured by a first ranking Special Hypothec to be constituted by Excel MJD Limited and Excel Housing Limited on the Security Property respectively owned by them (essentially the Q Hub and the Housing Properties respectively) in favour of the Security Trustee for the benefit of the Bondholders. In respect of the said Excel MJD Limited and Excel Housing Limited, save for such exceptions as may be provided by applicable law, the Bonds shall rank with priority or preference to all present and future unsecured obligations of the said Excel MJD Limited and Excel Housing Limited, by virtue and to the extent of the said first ranking Special Hypothec.

There are no special rights attached to the Bonds other than the right of the Bondholders to (i) the repayment of capital and payment of interest on the due dates; (ii) the benefit of the Collateral (namely the Guarantee and the first ranking Special Hypothec over the Security Property) through the Security Trustee; (iii) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and (iv) such other rights attached to the Bonds emanating from the Prospectus.

3.2 • Where will the securities be traded?

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

3.3 • Is there a guarantee attached to the securities?

The Guarantee

Apart from the above-mentioned first ranking Special Hypothec on the Security Property to be granted by Excel MJD Limited and Excel Housing Limited, the Bonds will also be secured through the joint and several guarantee of the Guarantor in terms of the Guarantee dated 2 December 2024. Accordingly, the Security Trustee, for the benefit of itself and the Bondholders, shall be entitled to request the Guarantor to pay both the interest due and the principal amount under said Bonds if the Issuer fails to meet any amount, when due. The Guarantee also entitles the Security Trustee to take action against the Guarantor without having to first take action against the Issuer. The Guarantee constitutes a direct and unconditional obligation of the Guarantor, and the Guarantor's obligations under the Guarantee shall rank *pari passu* with all its other unsecured and unsubordinated obligations.

The Guarantor

The Guarantor is Excel Investments Holdings Limited, a private limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta) having company registration number C 94378. The legal entity identifier (LEI) number of the Guarantor is 4851000NIKKTE9QQID54. The Guarantor is the parent company of the Group and acts mainly as a holding company, holding the shares in its Subsidiaries (including the Issuer).

Key financial information regarding the Guarantor

Key figures extracted from the Guarantor's stand-alone financial statements are being represented below:

Excel Investments Holdings Limited	FY2023	FY2022	FY2021	FY 2024 Interim	FY 2023 Interim
Statement of Comprehensive Income					
Profit for the year (€000)	(3)	(1)	-	(1)	(1)
Statement of Financial Position					
Total assets (€000)	359	245	245	379	N/A
Total liabilities (€000)	1	246	245	22	N/A
Total equity (€000)	358	(1)	-	357	N/A
Statement of Cash Flows					
Net cash generated from / (used in) operating activities (€000)	(116)	(1)	(244)	19	(116)
Net cash used in investing activities (€000)	-	-	-	-	-
Net cash generated from financing activities (€000)	116	1	244	-	116

The financial information set out below represents key pro forma consolidated financial information of the Guarantor, of which the Issuer forms part. This pro forma information presents what the Group's financial statements would have looked like had the Group existed in its current form, comprising all its current constituent components, as at 31 December 2023.

Excel Investments Holdings Limited	FY 2023
Pro Forma Statement of Financial Position	
Total assets (€000)	62,579
Total liabilities (€000)	25,053
Total equity (€000)	37,526

3.4 • Key risks relating to the Guarantor and the Collateral

Economic and financial risks

Risks relating to inflation

Inflation is currently relatively high and in various regions or countries is on the rise. Inflation may negatively affect the future financial performance of the Group, including through the consequent increase in the prices of goods and services and the cost of new opportunities, higher borrowing costs, and the overall decrease in purchasing power.

Risks arising from war and/or conflict

Wars and conflicts which may from time to time occur in various parts of the world, including the current Russia – Ukraine and the Middle East armed conflicts, may present new risks or exacerbate certain risks to which the operations of the Group are subject, including shortage of and/or increase in prices and delay in importation and delivery of supplies needed for the business operations, apart from the negative effects these may have on the economy as a whole, including hospitality and real estate sectors.

Risks relating to financing of the Group

Risks relating to liquidity strains

Some business sectors in which the Group is involved, particularly that relating to real estate development, is of such nature that it goes through different liquidity cycles, which may subject the Group and/or the relevant Group company/ies to periods of liquidity strains. If such liquidity risks are not adequately catered for at Group level through proper liquidity management procedures, they may lead the Group into liquidity shortage and have an adverse effect on the ability of the Group to honour its payment obligations in a timely manner. There is no assurance that liquidity management and control procedures adopted by the Group will always be effective.

The Group's indebtedness could adversely affect its financial position

As at the date of this Prospectus, some Group companies have bank debt. Whilst these bank facilities are intended to be repaid through the proceeds of issue of the Bonds, the Group's overall financial gearing levels will further increase pursuant to the Bond Issue, and may also increase as a result of further future indebtedness. The increase in the level of financial gearing gives rise to all risks typically associated with higher leverage, including lower asset cover and lower debt service cover levels. This may have an adverse effect on the profitability of the Guarantor or its Subsidiaries. Furthermore, there can be no assurance that the Group will have access to such further debt financing as may be required from time to time at reasonable terms.

Business and operational risks

The Group depends on third parties in connection with its business, giving rise to counter-party risks

The Group relies upon third party or related service providers for the construction and completion and, where applicable, subsequent operation of its property developments. This gives rise to counter-party risks where such third parties default on their contractual obligations, including the resulting development cost overruns or delays in completion or loss of revenue, with the resultant negative impact on the Group's business, financial results and prospects, and may also expose the respective Group company to complaints, claims or litigation by property buyers, owners of neighbouring tenements and other third parties for contractual default or for damages. Furthermore, prospective purchasers and tenants of properties may default on their payment and other obligations towards the relevant Group companies, thus causing potential liquidity shortages for the Group.

Material risks relating to real estate acquisition, development and sale

There are a number of factors that commonly affect the real estate development industry, many of which are beyond the Group's control, and which could adversely affect the financial performance of the Group and the value of the real estate properties under development within the portfolio of the Group. Such factors include planning permit delays and costs, changes in local market conditions (such as oversupply or reduction in demand for real estate), increased market competition, shortages and/or price increases in raw materials and services leading to cost overruns, insufficiency of resources to complete the projects, penalties or litigation resulting from delays in completion, possible structural and environmental problems, acts of God and other force majeure events, health and safety risks and litigation associated therewith. Furthermore, real estate investments are generally illiquid.

Risks relating to the rental business of the Group

The Group is involved in rental of offices and other commercial tenements and of residences to third parties. This business sector may be affected by a number of factors, including national economy, political developments, changes in relevant laws, interest rate fluctuations, inflation and other economic, political and social factors. An increase in the supply of offices and commercial premises and residences could impact negatively upon capital values and income streams of the Group's properties, and the Group's ability to source new lessees upon termination or non-renewal of the then current leases. The business, revenue and projected profits of the Group would also be negatively impacted if lessees fail to honour their respective lease obligations.

Risks relating to the Collateral

Risks relating to the Guarantee

The strength of the undertakings on the part of the Guarantor under the Guarantee and therefore, the level of recoverability by the Security Trustee from the Guarantor of any amounts due under any of the Bonds, is dependent upon and directly linked to the financial position and solvency of the Guarantor, which will be affected by the level of indebtedness and liabilities incurred by such Guarantor.

Risks relating to the Collateral constituted by the Special Hypothec over the Security Property and the value thereof

Whilst the Special Hypothec in respect of the Bonds grants the Security Trustee a right of preference and priority for repayment of the Bonds over the creditors of Excel MJD Limited and Excel Housing Limited in respect of the Security Property respectively owned by them, and whilst such Security Property has been recently valued collectively for an amount which should be sufficient to cover payment of the full Redemption Value of the Bonds, there can be no guarantee that the value of the said Security Property over the term of the Bonds will be and/or remain sufficient to cover the full amount of interest and Redemption Value outstanding under the said Bonds. This may be the result of various factors, including general economic factors that could have an adverse impact on the value of the Security Property. There is also no guarantee that the value of Security Property determined in the independent valuation is necessarily correct or would actually be achieved on the market. The valuation of property is inherently subjective.

Risks relating to ranking of Special Hypothec forming part of the Collateral

The first ranking Special Hypothec to be constituted by Excel MJD Limited and Excel Housing Limited over the Security Property respectively owned by them in favour of the Security Trustee shall rank after the claims of privileged creditors should a note of inscription of a special privilege be registered with the Public Registry securing the privileged creditor's claim.

3.5 • What are the key risks that are specific to the securities?

Suitability of the Bonds

An investment in the Bonds may not be suitable for all recipients of the Prospectus and prospective investors are urged to read and understand the Prospectus in full and to consult an investment advisor before making an investment decision with a view to ascertain that s/he has sufficient knowledge and understanding of the Bonds and the merits and risks of investing in the Bonds, and that s/he has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds. Otherwise there is a risk that such investor may acquire an investment which is not suitable for his/her risk profile.

Interest rate risk

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. In particular, if interest rates rise, the prices that market participants will generally be willing to pay for the Bonds can be expected to decline. Moreover, price risks for longer maturity bonds tend to be higher than for shorter maturity bonds.

Trading and liquidity risks

There can be no assurance that an active secondary market for the Bonds will develop or, if it develops, that it will continue. Nor can there be any assurance that an investor will be able to re-sell his/her Bonds at or above the Bond Issue Price or at all. A trading market having the desired characteristics of depth, liquidity and orderliness depends on a number of factors, which are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control. The outbreak of the COVID-19 pandemic in 2020, has resulted in a highly volatile economy. This volatility may also increase as a result of wars or conflicts between countries, including the current Russia – Ukraine and the Middle East conflicts. Continued or increased volatility and disruption in the capital markets may impair the saleability of the Bonds.

4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

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

Application for the Bonds

Application for the Bonds must be lodged with any of the Authorised Financial Intermediaries. All Applications are subject to a minimum subscription amount of €5,000 in nominal value of Bonds and in multiples of €100 thereafter.

Expected timetable

1. Offer Period:	4 December 2024 to 20 December 2024
2. Placement Date:	20 December 2024
3. Intermediaries' Offer Date:	20 December 2024
4. Commencement of interest:	30 December 2024
5. Expected announcement of basis of acceptance:	30 December 2024
6. Latest date of constitution of Special Hypothec on Security Property:	7 January 2025
7. Expected dispatch of allotment letters:	7 January 2025
8. Latest date of admission of Bonds to listing:	7 January 2025
9. Latest date of commencement of trading in the Bonds:	8 January 2025

The Issuer reserves the right to close the Offer Period earlier in the event of full or over-subscription, in which case the events set out in step 2 onwards and the Issue Date may be brought forward.

Plan of distribution and allotment and allocation policy

The Bonds will be available for subscription by all categories of investors, as follows:

- i. The Issuer may enter into a Placement Agreement with any of the Authorised Financial Intermediaries, for the placement of an agreed portion of the nominal value of Bonds (which will be reserved for such Authorised Financial Intermediaries under the Placement Agreements) to be subscribed to by each such Authorised Financial Intermediary either in its own name or in the name of its underlying clients in terms of the respective Placement Agreement; and
- ii. The remaining balance of Bonds, if any, shall be made available for subscription by Authorised Financial Intermediaries through an Intermediaries' Offer, who may subscribe the same in their own name or in the name of their underlying clients in terms of the sales agreements to be entered into with them.

The issue and final allotment of the Bonds is conditional upon the following events, in the chronological order set out below: (1) the Collateral being constituted in favour of the Security Trustee, in accordance with the provisions of the Security Trust Deed, within 15 Business Days of the close of the Offer Period; and (2) the Bonds being admitted to the Official List. In the event that any of the aforesaid Conditions Precedent is not satisfied, any Application monies received by the Issuer will be returned without interest by direct credit into the Applicant's bank account.

Total estimated expenses

The total estimated expenses of the Bond Issue are €900,000.

4.2 • Why is this Prospectus being issued?

Use and estimated net amount of proceeds

The proceeds from the Bond Issue, will be used by the Issuer to provide a loan facility to the Guarantor, namely the Issuer-Guarantor Loan, to be used as provided below. The Issuer-Guarantor Loan will bear interest at 6% per annum payable on 15 December of each year, and the outstanding loan amount thereof shall be repayable by not later than 15 December 2031.

In turn, the Issuer-Guarantor Loan will be used by the Guarantor for the following purposes, in the amounts and order of priority set out below:

- i. **Re-financing of Relevant Bank Loans:** an amount of approximately €25,000,000 will be used to re-finance the outstanding Relevant Bank Loans due by Excel MJD Limited to FIMBank plc and by Excel Housing Limited to Bank of Valletta plc, which bank loans were originally principally utilised to finance site acquisition and development and finishing of the Q Hub and acquisition costs of the Housing Properties, and which Relevant Bank Loans are secured *inter alia* by the Bank Security Interests over the Security Property or parts thereof;
- ii. **Development costs of Relevant Trading Property Projects:** an amount of approximately €8,000,000 will be used to finance the development costs of the Relevant Trading Property Projects described in paragraphs 1 to 10 under the heading 'Development and sale of real estate projects' under section 5.2 of the Registration Document, namely: (a) Orchidea Court in Ghajnsielem, (b) Harruba Residences in Nadur, (c) Sunset Suites in Xlendi, (d) Ta' Dbiegi View Houses in Gharb, (e) Giovanni's in Xewkija, (f) Bugeja Court in Ghajnsielem, (g) Misrah il-Barrieri in Msida, (h) Vista Giuliana in St. Julians, (i) Narcisa in Sannat and (j) Millhouse in Qala;
- iii. **General corporate funding:** the amount of approximately €16,100,000 together with any residual amounts not utilised for the purposes identified in paragraphs (i) and (ii) above, shall be utilised for general corporate funding purposes of the Group; and
- iv. **Bond Issue expenses:** the amount of approximately €900,000 will be used to finance the expected expenses of the Bond Issue, which are agreed to be borne by the Guarantor.

Underwriting

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

Conflicts of interest

Save for the subscription for Bonds by the Authorised Financial Intermediaries (which include the Sponsor & Co-Manager and the Registrar & Co-Manager), and any fees payable in connection with the Bond Issue to the Sponsor & Co-Manager and the Registrar & Co-Manager, so far as the Issuer is aware no person involved in the Bond Issue has any material conflicts of interest pertaining to the offer of Bonds or their admission to trading.

