JD CAPITAL P.L.C.

11 April 2025

SUMMARY

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Dated 11 April 2025

This document is a Summary 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 provisions of the Prospectus Regulation.

In respect of an issue of

up to €40,000,000 5.6% secured bonds 2035 (ISIN: MT0001831248)

of a nominal value of €100 per bond, issued and redeemable at par by

JD Capital plc

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA
WITH COMPANY REGISTRATION NUMBER C 82098

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 STARDARDS 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 12 MONTHS FROM THE DATE THEREOF. THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THIS SUMMARY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES WHICH ARISE FOLLOWING THE LAPSE OF THE PERIOD OF VALIDITY OF THIS SUMMARY, PROVIDED THAT THE ISSUER SHALL NOT BE OBLIGED TO SUPPLEMENT THIS SUMMARY SHOULD THE AFORESAID SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES, OR MATERIAL INACCURACIES ARISE OR ARE NOTED FOLLOWING THE LATER OF THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON THE OFFICIAL LIST BEGINS.

SPONSOR & CO-MANAGER	LEGAL COUNSEL	SECURITY TRUSTEE	REGISTRAR & CO-MANAGER	REPORTING ACCOUNTANTS
Calamatta Cuschieri	CAMILLERI PREZIOSI ADVOCATES		BOV Bank of Valletta	RSM

Approved by the Directors

Josef Dimech

in his capacity as Director of the Issuer and on behalf of
Franco Azzopardi, Stanley Portelli, Stephen Muscat, and Jesmond Manicaro.

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 Secured Bonds. Except where the context otherwise requires, capitalised words and expressions used in this Summary shall bear the meanings assigned to them in the Registration Document and the Securities Note, as the case may be.

1. INTRODUCTION AND WARNINGS

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

Full legal and commercial name of the Issuer	JD Capital p.l.c.
Registered address	HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta
Registration number	C 82098
Legal Entity Identification (LEI) Number	391200C8XW0F6K1ROJ82
Date of Registration	9 August 2017
Telephone number	+356 21653689
Email	info@jsdgroup.mt
Website	https://www.jsdgroup.mt/investor-relations/
Nature of the securities	Secured bonds of an aggregate principal amount of up to €40,000,000, of a nominal value of €100 per bond, issued at par and redeemable at their nominal value on the Redemption Date, and bearing interest at the rate of 5.6% per annum
ISIN of the Secured Bonds	MT0001831248
Competent authority approving the Prospectus	The Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta)
Address, telephone number and official website of the competent authority approving the Prospectus	Address: Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business, District, Birkirkara, CBD 1010, Malta **Telephone number:** +356 21 441 155 **Official website:** www.mfsa.mt
Prospectus approval date	11 April 2025

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 Secured 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 securities should be based on consideration of the Prospectus as a whole by the investor;

iii. an investor may lose all or part of the capital invested in subscribing for Secured 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 Secured Bonds.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the Issuer of the securities?

2.1.1 DOMICILE AND LEGAL FORM, ITS LEI AND COUNTRY OF INCORPORATION

The Issuer is JD Capital p.l.c., a public limited liability company registered in Malta in terms of the Companies Act. The legal entity identifier (LEI) number of the Issuer is 391200C8XW0F6K1ROJ82.

2.1.2 PRINCIPAL ACTIVITIES OF THE ISSUER

The Issuer was registered on 9 August 2017 and was established as the holding company, financing, re-financing, and investment arm of the Group. The Issuer, therefore, does not carry out any trading or operating activities of its own, other than the carrying out of financing and re-financing activities, including the advancing of funds to companies forming part of the Group to fund the Group's funding requirements as and when the demands of the Group's business so require. Accordingly, the Issuer is economically dependent on the operations undertaken by its operating Subsidiaries.

2.1.3 MAJOR SHAREHOLDERS OF THE ISSUER

Mr Josef Dimech is the sole ultimate beneficial owner of the Issuer, ultimately holding *circa* 99.996 % of the ownership interests of the Issuer: (i) directly as the registered holder of 0.0003% of the issued share capital of the Issuer; and (ii) indirectly as the registered holder of 99.99353% of the issued share capital of JD Holdings Limited, the immediate parent company and majority registered shareholder of the Issuer.

2.1.4 BOARD OF DIRECTORS OF THE ISSUER

The Board of Directors of the Issuer is composed of the following persons: (a) Josef Dimech (Executive Director); (b) Franco Azzopardi (Executive Director); (c) Stanley Portelli (non-Executive and Independent Director); (d) Stephen Muscat (Chairman and non-Executive and Independent Director); and (e) Jesmond Manicaro (non-Executive and Independent Director).

2.1.5 STATUTORY AUDITORS

The auditors of the Issuer as of the date of this Summary and for the financial years ended 2021, 2022 and 2023 are RSM Malta of Mdina Road, Zebbug ZBG 9015, Malta. The Accountancy Board registration number of RSM Malta is AB/26/84/53.

2.2 What is the key financial information regarding the Issuer?

The key financial information regarding the Issuer on a consolidated basis is set out below:

Income Statement	FY2021	FY2022	FY2023	Jun-23	Jun-24
Revenue (€'000)	16,268	11,832	12,965	5,242	8,007
Earnings before interest, taxes, depreciation and amortisation (€'000)	2,018	1,154	2,049	1,091	1,687
Operating profit (€'000)	1,155	1,157	1,361	743	1,377

Statement of Financial Position	FY2021	FY2022	FY2023	Jun-24
Net financial debt (€'000)	14,675	23,195	34,966	39,942

Cash Flow Statement	FY2021	FY2022	FY2023	Jun-23	Jun-24
Cash flows generated from / (used in) operating activities (€'000)	(1,728)	(7,492)	(3,212)	404	5,974
Cash flows generated from / (used in) investing activities (€'000)	1,542	(186)	(5,540)	(301)	(9,658)
Cash flows generated from / (used in) financing activities (€'000)	36	8,700	8,187	(754)	3,740

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

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

2.3.1 RISKS RELATING TO THE ISSUER'S ROLE AS THE HOLDING AND FINANCING COMPANY OF THE GROUP

The Issuer does not carry out any trading activities of its own and its sole purpose is to raise funds in the capital markets for the purpose of on-lending to companies forming part of the JD Capital Group. As a result, the only cash-generating activities of the Issuer are the receipt of interest income on funds advanced to Group companies and dividends received from its Subsidiaries, if any, from time to time. Accordingly, the Issuer is economically dependent on the operational results, the financial position and performance of the Group companies to which it provides financing and its Subsidiaries. The underperformance of any of these companies may have an adverse effect on the performance of the Issuer which, in turn, may affect its ability to service payments under the Secured Bonds. The key risks associated with the Group, on which the Issuer is dependant as aforesaid, are contained in the Registration Document and prospective investors are strongly advised to carefully consider all such risk factors with their own financial and other professional advisors.

Key economic and financial risks

2.3.2 RISKS RELATING TO THE GROUP'S FINANCING AND INVESTMENT STRATEGIES AND HISTORICAL GEARING LEVEL

The Group may not be able to obtain the financing it requires for the continued operation of its business, completion of major projects, and investments, on commercially reasonable terms, or at all. Failure to obtain, or delays in obtaining, the financing required, including increases in borrowing costs or decreases in debt capacity or funding availability, may limit the Group's growth, and adversely affect its business, financial condition, results of operations and its prospects. The Group further has a number of bank credit facilities and loan facilities outstanding as at the date of the Prospectus and the Group's capital structure is, and is expected to remain, relatively highly geared, thereby absorbing a significant portion of cash flows generated by the Group's operations. In addition, as at the date of this Summary, the Group has pending tax liabilities and social security contributions which are in the process of being settled in terms of a payment schedule entered into with the Maltese Commissioner for Tax and Customs. Adverse movements in the Group's actual or projected cash flows will reduce the actual or projected level of debt service cover and the ability of the Issuer to fulfil its obligations under its listed securities, including the Secured Bonds, as well as the ability of the Group to fulfil its obligations under any financial indebtedness outstanding from time to time In the past, the Group has indeed encountered instances in which the fulfilment of certain repayment obligations due to banks was delayed. As at the date of this Registration Document, a number of projects, in particular real estate development projects, are ongoing and therefore are not presently generating revenue, thus resulting in limited cash reserves until such projects are finalised. Furthermore, the Group is subject to various covenants and restrictive undertakings stipulated by the terms and conditions of its third-party financing arrangements, which could limit the Group's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally, or otherwise inhibit the ability to conduct necessary operational activities. If the Group were to default on its obligations under its third-party financing arrangements, it may be liable to default interest and, or contractual penalties and third-party financiers may exercise or seek measures to enforce any security interests constituted in their favour. If the circumstances indicated above were to manifest themselves, the Group's financial position, operational results and its business and trading prospects may be materially adversely affected, and the ability of the Company to satisfy its obligations towards holders of debt or other securities, including its obligations towards the Bondholders under the Secured Bonds, may be materially adversely affected.

2.3.3 DEPENDENCE ON THE MALTESE MARKET AND EXPOSURE TO ECONOMIC CONDITIONS

The Group's business activities are concentrated in, and aimed at, the Maltese market. Accordingly, the Group is highly susceptible to the economic trends that may from time to time be felt in Malta, including fluctuations in consumer demand, financial market volatility, inflation, the property market, interest rates, exchange rates, direct and indirect taxation, wage rates, utility costs, government spending and budget priorities and other general market, economic, and social factors. Negative economic factors and trends in Malta, particularly those having an effect on consumer demand, would have a negative impact on the business of the Group.

Key business and operational risks

2.3.4 RISKS RELATING TO THE TEMPORARY TITLE OVER THE HAL FAR INDUSTRIAL FACILITY

The Hal Far Site and Hal Far Industrial Facility are held by JD Operations under title of a 65-year temporary emphyteusis granted unto JD Operations by INDIS, effective as from 6 March 2018. Failure to abide with the terms and conditions to which the emphyteutical grant is subject may have an adverse material effect on the operations of the Group, its financial performance and financial conditions resulting from the imposition of contractual penalties or the enforcement of an event of default under the emphyteutical deed, the occurrence of which may entitle INDIS to terminate the temporary emphyteusis. The inability of the Group to carry out its operations at the Hal Far Industrial Facility at any time due to failure to adhere with the terms and conditions of the emphyteutical grant could have a material adverse effect on the results of the operations of the Group, and its financial performance and condition.

2.3.5 RISKS RELATING TO THE GROUP'S EXPOSURE TO CLAIMS AND LITIGATION INHERENT IN THE GROUP'S OPERATIONS

All industries which the Group operates or has plans to operate in are subject to legal claims, with or without merit. The risk of future claims being made by third parties in the future cannot be excluded. Due to the inherent uncertainty of litigation and dispute resolution processes, there can be no assurance that the resolution of any legal proceeding or dispute will not have a material adverse effect on the Group's future cash flow, results of operations or financial condition. All litigation is expensive and time consuming. In addition, the Group's insurance coverage may not be sufficient to cover one or more substantial claims. Exposure to litigation or fines imposed by regulatory authorities may affect the Group's reputation even though the monetary consequences may not be significant.

2.3.6 RISKS RELATING TO INDUSTRIAL ALUMINIUM, STEEL AND GLASS WORKS, DESIGN, MANUFACTURING, SUPPLY, AND PROJECT DELIVERY

Insofar as the manufacturing business is concerned, the Group faces operational risks related to its ability to deliver projects as committed, within project budgeted costs and the stipulated deadlines. Inability to comply with such projected deliverables, contractual arrangements and, or applicable regulatory and legal requirements relating thereto could result in significant liabilities (which may include penalties, fines, and, or pre-liquidated damages) and the forfeiture of any performance guarantees put up by the Group as security for the due performance of its project delivery commitments. Project contractual arrangements may limit the Group's ability to recover cost overruns or other additional expenses incurred in the delivery of a project and may also be susceptible to the right of its customers to reject goods or other supplies, or to request a variation in the agreed project works. The above mentioned risks could consequently adversely impact the Group's relations with its customers, prejudice its goodwill, and, or could result in a material adverse effect on its financial position, financial performance, and operational results.

2.3.7 RISKS RELATING TO PROPERTY DEVELOPMENT AND CONSTRUCTION ACTIVITIES

Insofar as the real estate business is concerned, property development and construction projects are subject to a number of specific risks including, but not limited to, the risk of insufficiency or lack of availability of resources to complete development projects as planned; the risk of cost overruns; the risk of rental or sales transactions not being effected at the prices and within the timeframes envisaged; delays or refusals in obtaining required permits and authorisations; and high levels of activity in the sector may place a strain on the availability of human and other capital resources required to undertake and complete the development projects. These factors could have a material adverse effect on the Issuer's business, financial condition, and results of operations, including by increasing the projected costs and times for completion of ongoing development projects.

2.3.8 RISKS RELATING TO PROPERTY VALUATIONS AND NET REALISABLE VALUE

Notwithstanding the preparation of valuations by independent qualified architects, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. Accordingly, property valuations are largely dependent on current and, or expected market conditions which are susceptible to fluctuation and therefore, there can be no assurance that the property valuations and property-related assets will reflect actual market values.

2.3.9 RISKS RELATING TO MISHANDLING AND DAMAGE TO GOODS IN THE GROUP'S CUSTODY

Insofar as the 3PL business is concerned, the Group will be responsible for the loading, unloading, sorting, and storage of cargo. Throughout this process there is a risk that the goods can be damaged, misplaced, or lost while they are in the custody of the Group. Additionally, the Group may handle goods which may be valuable and of high importance. Such goods may have a higher susceptibility to theft. The Group's insurance policies may not be adequate to compensate for any losses suffered as a result of mishandling of, or misuse of, or total loss of goods, or to compensate for any losses suffered as a result of theft from the Hal Far Industrial Facility, should any theft be found to be attributable to gross negligence on the part of JD Operations, its employees, or persons otherwise providing service to the Group. Any incident of theft, damage or total loss or wastage or other associated losses that may occur could result in financial and reputational damage to the Group. This could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

3. KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

The Secured Bonds are being issued in an aggregate amount of up to €40,000,000 with a nominal value of €100 per Secured Bond issued and redeemable at par on the Redemption Date. The Secured Bonds bear interest at the rate of 5.6% per annum on the nominal value of the Secured Bonds. The Secured Bonds shall be issued in fully registered and dematerialised form and shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Secured Bonds shall have the following ISIN: MT0001831248. The Secured Bonds shall be freely transferable.

The Secured Bonds constitute the general, direct, unconditional, and secured obligations of the Issuer and shall at all times rank *pari passu* without any priority or preference among themselves. The Secured Bonds are secured by the Collateral. There are no special rights attached to the Secured Bonds other than the right of the Bondholders to: (i) attend, participate in, and vote at, Bondholders' Meetings in accordance with the terms and conditions of the Secured Bonds; (ii) the payment of capital and interest in accordance with the ranking of the Secured Bonds; (iii) the benefit of security interests through the Security Trustee; and (iv) such other rights attached to the Secured Bonds.

3.2 Where will the securities be traded?

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

3.3 What are the key risks that are specific to the securities?

3.3.1 SUITABILITY OF THE SECURED BONDS

An investment in the Secured Bonds may not be suitable for all recipients of the Prospectus and prospective investors are urged to read and fully understand the Prospectus, and to consult an investment advisor before making an investment decision, with a view to ascertaining that an investment in the Secured Bonds is suitable for the investor's risk profile.

3.3.2 NO PRIOR MARKET FOR THE SECURED BONDS

Prior to the Bond Issue, there has been no public market, nor trading record, for the Secured Bonds within or outside Malta. Due to the absence of any prior market for the Secured Bonds, there can be no assurance that the price of the Secured Bonds will correspond to the price at which the Secured Bonds will trade in the market subsequent to the Bond Issue.

3.3.3 ORDERLY AND LIQUID SECONDARY MARKET

The existence of an orderly and liquid market for the Secured Bonds depends on a number of factors, including but not limited to the presence of willing buyers and sellers of the Secured Bonds at any given time and the general economic conditions in the market in which the Secured Bonds are traded. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control.

3.3.4 SUBSEQUENT CHANGES IN INTEREST RATE AND POTENTIAL IMPACT OF INFLATION

The Secured Bonds are fixed rate debt securities and investment therein involves the risk that subsequent changes in market interest rates may adversely affect the market value of the Secured Bonds. The price of fixed income securities tends to move in a way that is inversely proportional to changes in interest rates. Moreover, the coupon payable on the Secured Bonds is a nominal interest rate. The real interest rate is computed by subtracting inflation from the nominal interest rate, the result of which indicates the real return on the Secured Bond coupon. In a period of high inflation, an investor's real return on the Secured Bonds will be lower than the Secured Bonds' nominal interest rate and thus undermine an investor's expected return. Furthermore, an increase in inflation may result in a decrease in the traded price of the Secured Bonds on the secondary market.

3.3.5 ENFORCEMENT OF THE COLLATERAL

There can be no assurance that the Collateral will be sufficient to cover the Company's payment obligations under the Secured Bonds in case of an Event of Default. A portion of the Collateral is composed of the Secured Property. There is no guarantee that, in the case of an Event of Default, the Bondholders would recover the Bondholders will recover the value of the Secured Property afforded to them by the independent expert in the valuation reports. This may be caused by a number of factors, including but not limited to general economic factors that could have an adverse impact on the value of the Secured Property.

If such circumstances where to arise or subsist at the time that the Collateral is enforced by the Security Trustee, it could have a material adverse effect on the value of the Secured Property and the recoverability of the value afforded to them in the valuation reports.Furthermore, parts of the Secured Property may in future be sold to third parties, resulting in the corresponding Collateral being reduced. Although the Securities Note provides for a process for the variation of the Collateral, there can be no guarantee that, in the case of sale of parts of the properties as aforesaid, the alternative properties secured by the Issuer for the purpose of replenishing the Collateral shall not be negatively impacted by the aforesaid risks.

3.3.6 RANKING OF THE COLLATERAL

The hypothecs forming part of the Collateral shall rank after the claims of privileged creditors should a note of inscription of a special privilege be registered with the Registry in Malta securing the privileged creditor's claim. The ranking of collateral has a bearing on the success of a creditor to get paid should the Issuer not have sufficient assets to pay all its creditors. The Security Trustee will be paid out of the assets of the Issuer after privileged creditors and those creditors which are given priority over the relevant Collateral by law. Accordingly, in the case of a competition of creditors, Bondholders may not recover their investment in the Secured Bonds, whether in full or in part.

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?

4.1.1 PLAN OF DISTRIBUTION, ALLOTMENT AND ALLOCATION POLICY

The Secured Bonds shall be: (i) made available for subscription to all categories of investors; and (ii) allocated, as follows:

i. an amount of up to €5,000,000 in nominal value of Secured Bonds shall be made available for subscription by the Maturing Noteholder; and

ii. an amount of up to €35,000,000 million in nominal value of Secured Bonds together with any balance of Secured Bonds not taken up in terms of (i) above, shall be made available for subscription by Authorised Financial Intermediaries entering into conditional subscription agreements with the Issuer pursuant to the Intermediaries' Offer, who may subscribe for Secured Bonds in their own name or in the name of their underlying clients. The Issuer, acting through the Registrar & Co-Manager, shall determine the allocation of Secured Bonds applicable to each subscription agreement received from Authorised Financial Intermediaries by not later than 12 May 2025.

The issue and allotment of the Secured Bonds is conditional upon: (i) the minimum subscription amount of €30,000,000 of Secured Bonds is achieved; and (ii) the Secured Bonds being admitted to the Official List by no later than 23 May 2025. Subscriptions shall be made through Authorised Financial Intermediaries subject to a minimum subscription amount of €5,000 in nominal value of the Secured Bonds and in multiples of €100 thereafter.

By not later than 16 May 2025 the Issuer shall announce the result of the Bond Issue through a company announcement. Dealings in the Secured Bonds shall not commence prior to the Secured Bonds being admitted to the Official List.

4.1.2 TOTAL ESTIMATED EXPENSES

Professional fees, and costs related to publicity, advertising, printing, listing, registration, sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €800,000. There is no particular order of priority with respect to such expenses.

4.1.3 EXPECTED TIMETABLE

1.	Offer Period for the Maturing Noteholder and Authorised Financial Intermediaries pursuant to the Intermediaries' Offer	**21 April 2025 to 9 May 2025**
2.	Announcement of basis of acceptance	**16 May 2025**
3.	Dispatch of allotment letters	**23 May 2025**
4.	Commencement of interest	**23 May 2025**
5.	Expected date of early redemption of the Maturing Note	**23 May 2025**
6.	Expected date of admission of the Secured Bonds to listing	**23 May 2025**
7.	Expected date of commencement of trading in the Secured Bonds	**26 May 2025**
8.	Expected date of constitution of the Collateral	**10 June 2025**

The Issuer reserves the right to close the Offer Period referred to in (1) above before 9 May 2025 in the event that the total value of Applications received from the Maturing Noteholder, together with amount subscribed for by Authorised Financial Intermediaries pursuant to the Intermediaries' Offer, exceeds €40,000,000, in which case some of the events set out above may be brought forward. If this occurs, the Issuer will issue a company announcement to inform the market accordingly.

4.2. Why is this prospectus being produced?

4.2.1 THE USE AND ESTIMATED NET AMOUNT OF THE PROCEEDS

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €39,200,000, shall be used as follows:

i. up to €5,000,000 shall be used to acquire the Maturing Note from the Maturing Noteholder pursuant to the Maturing Note Transfer for redemption and cancellation;
ii. up to €8,500,000 shall be on-lent to ONEA Properties for the purpose of refinancing of the outstanding principal and interest due in terms of the FIMBank Facility;
iii. up to €3,456,000 shall be on-lent to Skorba Developments for it to finance the recission of the promise of sale of 10 apartments and four penthouses forming part of Skorba Mansions entered into with a third party company, for which payment had been received upon execution of a promise of sale agreement, plus interest accruing in favour of the said third party until the expected date of recission;
iv. up to €2,535,000 shall be on-lent to JD Real Estate Development for the acquisition of Villa Delfini;
v. up to €7,000,000 shall be on-lent to JD Operations for it to finance the purchase of 3PL equipment and infrastructure; and
vi. the remaining amount of *circa* €12,709,000 will be used by the Issuer for general corporate funding purposes of the Group.

The Sponsor & Co-Manager and the Registrar & Co-Manager do not have any material interest in the Issuer. The Bond Issue is not subject to an underwriting agreement on a firm commitment basis.