

SUMMARY

Dated 18 September 2020

This Summary is issued in accordance with the provisions of Article 90 of the Companies Act (Cap. 386 of the laws of Malta) and of the Prospectus Regulation.

In respect of an issue of €11,000,000 6% Unsecured Notes 2023 – 2025
of a nominal value of €1,000 per Note issued at par by



MEDITERRANEAN INVESTMENTS HOLDING PLC

a public limited liability company registered in Malta with company registration number C 37513

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

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

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be 'JF'.

Joseph Fenech

A handwritten signature in black ink, appearing to be 'JF'.

Joseph Fenech for and on behalf of:
Alfred Pisani, Joseph Pisani, Faisal J.S. Alessa,
Mario P Galea, Ahmed B A A Wahedi and
Ahmed Yousri Noureldin Helmi

NOMINEE AND PLACEMENT AGENT



MZ INVESTMENT SERVICES

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 will enable investors to understand the nature and the risks associated with the Issuer and the Global Note.

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

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

Issuer	Mediterranean Investments Holding plc (C 37513)
Address (Issuer)	22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta
LEI of the Issuer	213800BEHWHFJ6UYZR18
Nature of the securities	Unsecured Notes up to a maximum amount of €11,000,000, bearing an interest rate of 6% per annum, payable annually on 3 October of each year until 3 October 2025, subject to the Issuer's option to redeem the Notes early, in whole or in part, on 3 October 2023 and, or 3 October 2024
Details of the competent authority approving the Prospectus	The Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies. The Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies, only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Issuer
Address, telephone number and official website of the competent authority approving the Prospectus	The Registrar of Companies, Malta Business Registry, AM Business Centre, Triq il-Labour, Zejtun ZTN 2401, Malta Tel: +356 2258 2300; Website: www.mbr.mt
Prospectus approval date	18 September 2020

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 Notes 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 Notes;
- 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 such securities.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the Issuer of the Global Note?

2.1.1 Domicile and legal form, LEI and country of incorporation of the Issuer

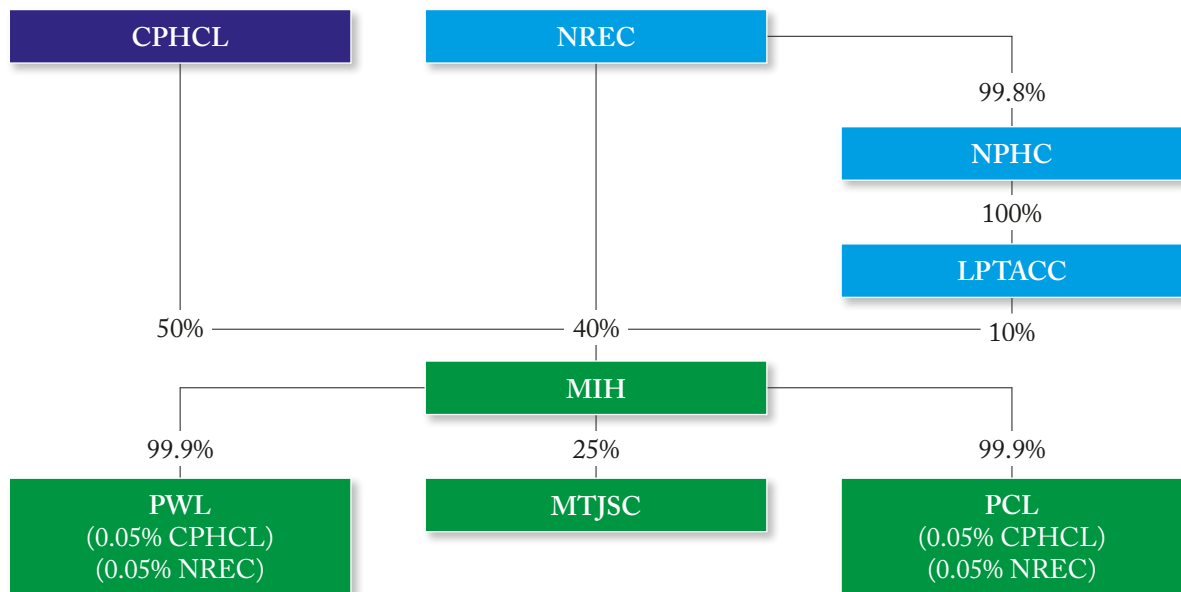
The Issuer is Mediterranean Investments Holding p.l.c., a public company registered under the laws of Malta with company registration number C 37513 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta. The Issuer is incorporated and is domiciled in Malta. Its LEI number is 213800BEHWHFJ6UYZR18.

2.1.2 Principal activities of the Issuer

The principal objects of the Issuer, which objects are limited to activities outside Malta and to such other activities as are or may be necessary for its operations from Malta, are to directly or indirectly acquire, develop and operate real estate opportunities in North Africa, including, without limitation, opportunities with respect to retail outlets, shopping malls, office and commercial buildings, residential gated compounds, housing, hotels, build-operate-transfer (BOT) agreements and other governmental projects and conference centres. The issue of debt securities falls within the objects of the Issuer.

2.1.3 Major Shareholders

The Issuer is the parent company of the Group and, accordingly, is ultimately dependent upon the operations and performance of its subsidiaries and other investments. The organisational structure of the Group as at the date of the Prospectus is illustrated in the diagram below:



2.1.4 Directors of the Issuer

As at the date of the Prospectus, the Board of Directors of the Issuer is composed of the following persons:

Alfred Pisani	[ID No. 126839M]	Executive Director and Chairman
Ahmed B A A Wahedi[Passport	No. 003594145]	Non-executive Director and Deputy Chairman
Joseph Pisani	[ID No. 672637M]	Non-executive Director
Faisal J.S. Alessa	[Passport No. P05449499]	Non-executive Director
Joseph Fenech	[ID No. 656656M]	Executive Director
Mario P. Galea	[ID No. 522554M]	Independent, Non-executive Director
Ahmed Yousri Nouredin Helmi	[Passport No. A14441068]	Independent, Non-executive Director

2.1.5 Statutory auditors

The annual statutory consolidated financial statements of the Issuer for the financial years ended 31 December 2017, 2018 and 2019 have been audited by Grant Thornton. Grant Thornton is a firm registered as a partnership of certified public accountants holding a practicing certificate to act as auditors in terms of the Accountancy Profession Act, 1979 (Chapter 281 of the laws of Malta).

2.2 What is the key financial information regarding the Issuer?

Set out below are highlights taken from the audited consolidated financial statements of the Issuer for the years ended 31 December 2017, 2018 and 2019, and from the unaudited consolidated interim accounts of the Issuer for the six-month period ended 30 June 2020:

Income Statement	FY2019	FY2018	FY2017	6-mth period ended 30 Jun'20	6-mth period ended 30 Jun'19
Operating profit (€'000)	19,797	11,592	3,586	9,180	10,059

Balance Sheet	FY2019	FY2018	FY2017	30 June 2020	
Net Financial Debt (€'000)	81,744	94,730	103,256		72,815
Current Ratio	0.43x	0.92x	0.58x		0.45x
Interest Cover Ratio	4.04x	3.13x	0.94x		4.01x

Cash Flow Statement	FY2019	FY2018	FY2017	6-mth period ended 30 Jun'20	6-mth period ended 30 Jun'19
Cash Flows from Operating Activities (€'000)	18,776	14,019	6,103	9,844	9,799

2.3 What are the key risks specific to the Issuer?

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

The Issuer was incorporated in 2005 and, through Palm City Limited (PCL), has been primarily involved in the development and operation of Palm City Residences. Until such time when the Medina Tower project and the Palm Waterfront project are fully developed and launched on the market, the Issuer will continue to be solely dependent on the business prospects and operating results of PCL.

The operations of PCL and its operating results are subject to a number of factors that could adversely affect the Group's business and financial condition, some of which are beyond the Group's control. These include:

2.3.1 Risks relating to the political, economic and social environment in Libya

Whilst the Issuer and PCL are registered in Malta, the assets, operations, business interests and activities of PCL are located or conducted in Libya through a branch of PCL. The Issuer is also an investee in a joint stock company MTJSC in respect of the business interests of the Medina Tower project, another project that will be developed in Tripoli, Libya. An application for the establishment of an investment project is underway at the Libyan Ministry of Economy in respect of the future development of Palm Waterfront. The Group's business activities over the coming years are expected to be focused on and aimed at the development of the Medina Tower project in which the Group has a 25% holding and Palm Waterfront, which is to be developed by a 100% owned subsidiary of the Issuer. Accordingly, the Group is susceptible to the political and economic risks that may from time to time influence Libya's prospects. Negative political or economic factors and trends in or affecting Libya could have a material impact on the business of the Issuer.

2.3.2 Risks relative to the COVID-19 pandemic and possible similar future outbreaks

While COVID-19 is still spreading and the final implications of the pandemic are difficult to estimate at this stage, it is clear that it will affect the lives of a large portion of the global population and cause significant effects. The ongoing COVID-19 pandemic and any possible future outbreaks of viruses may have a significant adverse effect on the Group.

2.3.3 Emerging market

The Group's prospects should be considered in the light of the risks and the difficulties generally encountered by companies operating in emerging markets. Businesses in emerging markets may not be operating in a market-oriented economy as known in more developed markets.

2.3.4 Natural disasters, contagious disease, terrorist activity and war have, in the past, adversely affected the expatriate community and similar events could adversely affect the industry in the future

Natural disasters, the spread of contagious disease (including COVID-19), industrial action, travel-related accidents, terrorist activity and war and the targeting of particular destinations have had a significant negative impact on the travel industry globally and such events could have a similarly negative impact in the future. Such events occurring in the location where the Group operates will invariably affect tenancy patterns and reduce the number of business travellers to the country, including demand for residential accommodation at Palm City Residences.

2.3.5 Issuer's reliance on PCL to service and repay Issuer's debt securities

The timely payment of interest payable by the Issuer on its debt securities could be negatively conditioned by unforeseen adverse circumstances affecting the operations of PCL which could significantly impinge on PCL's cash flow. The payment of interest and/or capital repayment on the Issuer's debt securities will be funded principally by the payment of inter-company loans or dividend pay-outs of PCL. The payment of inter-company loans and/or dividends by PCL will depend on, amongst other factors, any future profits, financial position, working capital requirements, general economic conditions and other factors that its board of directors deems significant from time to time.

2.3.6 The Group may not be able to obtain the capital it requires for development or improvement of existing or new properties on commercially reasonable terms, or at all

The Group's ability to implement its business strategies is dependent upon, amongst other things, its ability to generate sufficient funds internally and to access financing at acceptable costs. No assurance can be given that sufficient financing for its current and future investments will be available on commercially reasonable terms or within the timeframes required by the Group, also taking into account the need, from time to time, for the Group's properties to undergo renovation, refurbishment or other improvements.

2.3.7 Fluctuations in property values

Property values are affected by and may fluctuate, inter alia, as a result of changing demand, changes in general economic conditions, changing supply within a particular area of competing space and attractiveness of real estate relative to other investment choices. The value of the Group's property portfolio may also fluctuate as a result of other factors outside the Group's control, such as changes in regulatory requirements and applicable laws (including in relation to taxation and planning), political conditions, the condition of financial markets, potentially adverse tax consequences, interest and inflation rate fluctuations.

2.3.8 The Group's indebtedness could adversely affect its financial position

The Group has a material amount of debt and the amount of debt funding of the Issuer is expected to increase as and when the Issuer undertakes the Medina Tower and the Palm Waterfront projects, and other possible future development plans. A substantial portion of the Group's generated cash flows will be required to make principal and interest payments on the Group's debt. A substantial portion of the cash flow currently generated from PCL's operations is utilised to repay its debt obligations pursuant to the terms of the facilities provided.

2.3.9 Reliance on the Corinthia Group and NREC

The Issuer relies, and will in future be relying, on the contacts and expertise of the Corinthia Group and NREC, its principal shareholders, in connection with providing assistance in the application for and procurement of permits, licenses or other development authorisations from the competent authorities in Libya, in relation to present and future projects. However, no assurance can be given that the Issuer or its subsidiaries will be able to use such contacts and expertise as and when required.

2.3.10 The Group may be exposed to certain financial risks, including interest rate risk which the Group may be unable to effectively hedge against

The Group's activities potentially expose it to a variety of financial risks, including market risk (principally interest rate risk and fair value risk), credit risk and risks associated with the unpredictability of financial markets, all of which could have adverse effects on the Group's financial performance. The Group may be exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows if any future borrowings are made under bank credit facilities set at variable interest rates. The Issuer's financial statements, which are presented in Euro, can be affected by foreign exchange fluctuations through both translation risk, which is the risk that the financial statements for a particular period or as of a certain date depend, although in part only, on the prevailing exchange rate to the Libyan Dinar against the Euro; and transaction risk, which is the risk that the currency of the costs and liabilities fluctuates in relation to the currency of its revenue and assets, which fluctuation may adversely affect its operating performance.

3. KEY INFORMATION ON THE GLOBAL NOTE

3.1 What are the main features of the securities?

The key features of the Global Note are set out below:

Each Note forms part of a duly authorised issue of 6% unsecured notes 2023 - 2025 of a nominal value of €1,000 per Note issued by the Issuer at par up to the principal amount of €11,000,000. The Issue Date of the Global Note is expected to be 5 October 2020.

The currency of the Global Note is Euro (€).

The Global Note will NOT be listed on the Malta Stock Exchange or on any other regulated market on the date of issue.

The Participation Notes are open for subscription by Maturing Noteholders and through the Nominee and Placement Agent in respect of any balance of the Participation Notes not subscribed to by Maturing Noteholders.

The Global Note is redeemable on 3 October 2025, subject to the Issuer's option to redeem all or part of the Global Note on 3 October 2023 and, or 3 October 2024. The Global Note shall bear interest from and including 3 October 2020 at the rate of 6% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date (3 October of each year between and including each of the years 2021 and 2025). The first interest payment will be affected on 3 October 2021 (covering the period 3 October 2020 up to and including 2 October 2021).

There are no special rights attached to the Participation Notes other than the right of the Noteholders to: (i) the payment of interest; (ii) the payment of capital; (iii) ranking with respect to other indebtedness of the Issuer; (iv) attend, participate in and vote at meetings of Noteholders in accordance with the Terms and Conditions; and (vi) enjoy all such other rights attached to the Participation Notes emanating from the Prospectus.

The minimum subscription amount of Participation Notes that can be subscribed for by Applicants is €50,000, and in multiples of €1,000 thereafter.

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 €50,000 and multiples of €1,000 thereafter.

3.2 Where will the securities be traded?

The Global Note and the Participation Notes are transferable but shall NOT be traded on any regulated market or other trading facility.

3.3 What are the key risks that are specific to the Global Note and Participation Notes?

The most material risk factors specific to the Global Note and Participation Notes are set out below:

- The Global Note and 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 Global Note and the Participation Notes depends on factors beyond the Issuer's control which could impact the trading value of the Global Note and the Participation Notes, such as the willingness or otherwise of potential buyers and sellers of the Global Note and the Participation Notes. The trading value of the Global Note and the Participation Notes may also be impacted by other factors, such as the time remaining for maturity of the Global Note and the Participation Notes, the outstanding amount of the Global Note and the Participation Notes and the level, direction and volatility of market interest rates generally.
- 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.
- 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.



- 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 and Placement Agent to call a meeting of Participation Noteholders. 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.

4. KEY INFORMATION ON THE OFFER OF PARTICIPATION NOTES

4.1 Under which conditions can I invest in these Participation Notes?

4.1.1 Expected timetable of principal events

1	Subscription Agreements available to Maturing Noteholders	28 September 2020
2	Closing date for Subscription Agreements to be received from Maturing Noteholders	30 September 2020 (by 14:00 CET)
3	Closing date for the placement by the Nominee and Placement Agent of any Participation Notes not subscribed for by Maturing Noteholders	1 October 2020 (by 14:00 CET)
4	Commencement of interest	3 October 2020
5	Announcement of basis of acceptance through a company announcement	5 October 2020
6	Refunds of unallocated monies, if any	5 October 2020
7	Issuance of Participation Notes certificates	5 October 2020
8	Issue date of the Global Note	5 October 2020

4.1.2 Allocation policy

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

- first to Maturing Noteholders applying for Participation Notes by way of Maturing Note Transfer;
- in the event that following the allocations made pursuant to paragraph (i) above there shall still remain unallocated Participation Notes, the remaining Participation Notes shall be placed by the Nominee and Placement Agent.

By not later than 5 October 2020, the Issuer shall announce the results of the Offer through a company announcement.

4.2 Why is the Prospectus being produced?

4.2.1 Use of proceeds

The proceeds from the Issue are expected to amount to €11,000,000, will be used by the Issuer for the redemption of the outstanding amount of the Maturing Notes remaining in issue as at 3 October 2020, being the date of redemption of the Maturing Notes. As at the date of the Prospectus the aggregate value of Maturing Notes in issue stands at €11,000,000.

In the event that the Issue is not fully subscribed, the Issuer will proceed with issuing the amount of Notes so subscribed and the proceeds from the Issue shall be applied for the purpose set out above. The residual amount required by the Issuer for the purpose of the use specified above which shall not have been raised through the Issue shall be financed from the Issuer's own funds.

4.2.2 Underwriting

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.

ISSUER

MEDITERRANEAN INVESTMENTS HOLDING P.L.C.
22, EUROPA CENTRE, JOHN LOPEZ STREET,
FLORIANA FRN 1400, MALTA

AUDITORS

GRANT THORNTON
FORT BUSINESS CENTRE,
TRIQL-INTORNJATUR, ZONE 1,
CENTRAL BUSINESS DISTRICT,
BIRKIRKARA CBD 1050, MALTA

NOMINEE AND
PLACEMENT AGENT

MZ INVESTMENT SERVICES LTD.
61, MZ HOUSE, ST RITA STREET,
RABAT RBT 1523, MALTA



REGISTRATION DOCUMENT

Dated 18 September 2020

This Registration Document is issued in accordance with the provisions of Article 90 of the Companies Act (Cap. 386 of the laws of Malta) and of the Prospectus Regulation.



MEDITERRANEAN INVESTMENTS HOLDING PLC

a public limited liability company registered in Malta with company registration number C 37513

THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, ONLY APPROVES THIS REGISTRATION DOCUMENT AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER THAT IS THE SUBJECT OF THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN ANY INSTRUMENT ISSUED BY THE COMPANY. FURTHERMORE, SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SUITABILITY OF INVESTING IN SUCH INSTRUMENTS.

THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH REGISTRAR OF COMPANIES, 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 ISSUED BY THE COMPANY.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. 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 INDEPENDENT FINANCIAL ADVISER.

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be 'JF'.

Joseph Fenech

A handwritten signature in black ink, appearing to be 'JF'.

Joseph Fenech for and on behalf of:
Alfred Pisani, Joseph Pisani, Faisal J.S. Alessa, Mario P Galea,
Ahmed B A A Wahedi and Ahmed Yousri A. Noureldin Helmi

NOMINEE AND PLACEMENT AGENT



MZ INVESTMENT SERVICES



TABLE OF CONTENTS

IMPORTANT INFORMATION		01
1	DEFINITIONS	03
2	RISK FACTORS	06
2.1	Forward-looking Statements	06
2.2	Risks relating to the Group and its Business	07
3	PERSONS RESPONSIBLE AND AUTHORISATION STATEMENT	11
3.1	Persons Responsible	11
3.2	Authorisation Statement	11
4	IDENTITY OF DIRECTORS, SENIOR MANAGEMENT, ADVISERS AND AUDITORS OF THE ISSUER	11
4.1	Directors	11
4.2	Senior Management	13
4.3	Advisers	14
4.4	Auditors	14
5	INFORMATION ABOUT THE ISSUER	14
5.1	Historical Development of the Issuer	14
6	TREND INFORMATION AND FINANCIAL PERFORMANCE	19
6.1	Trend Information	19
6.2	Key Financial Review	20
6.3	Future Investments	22
7	MANAGEMENT AND ADMINISTRATION	22
7.1	The Board of Directors	22
7.2	Directors' Service Contracts and Remuneration	23
7.3	Conflict of Interest	23
7.4	Loans to Directors	24
7.5	Removal of Directors	24
7.6	Powers of Directors	24
7.7	Employees	24
7.8	Working Capital	24
8	MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS	24
8.1	Major Shareholders	24
9	AUDIT COMMITTEE PRACTICES	25
9.1	Audit Committee	25
9.2	Internal Audit	26
9.3	Related Party Transactions concerning CPHCL	26
10	COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS	26
11	HISTORICAL FINANCIAL INFORMATION	28
12	LITIGATION PROCEEDINGS	28
13	MATERIAL CONTRACTS	28
14	DISCLOSURES UNDER MARKET ABUSE REGULATION	28
15	DOCUMENTS AVAILABLE FOR INSPECTION	29

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, ONLY APPROVES THE PROSPECTUS AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER THAT IS THE SUBJECT OF THE PROSPECTUS.

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON MEDITERRANEAN INVESTMENTS HOLDING PLC, IN ITS CAPACITY AS ISSUER, IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

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 REGISTRATION DOCUMENT AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS OR ADVISERS.

THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, 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 BY ANY PERSON IN ANY JURISDICTION (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO OR (III) 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 ISSUED BY THE COMPANY 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 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.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS OF 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 INDEPENDENT PROFESSIONAL ADVISERS.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THE PROSPECTUS AND ANY PERSONS 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 SO APPLYING FOR ANY SUCH SECURITIES AND OF ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.



A COPY OF THE PROSPECTUS HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE COMPANIES ACT.

IN TERMS OF ARTICLE 12(1) OF THE PROSPECTUS REGULATION, THE PROSPECTUS SHALL REMAIN VALID FOR A PERIOD OF 12 MONTHS FROM 18 SEPTEMBER 2020, BEING THE DATE OF THE APPROVAL OF THE PROSPECTUS BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES. THE ISSUER IS OBLIGED TO PUBLISH A SUPPLEMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKE OR MATERIAL INACCURACY RELATING TO THE INFORMATION SET OUT IN THE PROSPECTUS WHICH MAY AFFECT THE ASSESSMENT OF THE SECURITIES AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE PROSPECTUS IS APPROVED AND THE CLOSING OF THE OFFER PERIOD. THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE PROSPECTUS IS NO LONGER VALID.

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

ALL THE ADVISERS TO THE ISSUER NAMED IN SUB-SECTION 4.3 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER 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.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, 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 ANY SECURITIES OF THE ISSUER.

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 PROFESSIONAL ADVISERS.

1. DEFINITIONS

In this Registration Document 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:

“Act” or “Companies Act”	the Companies Act (Chapter 386 of the laws of Malta);
“AHCT”	Alinmaa Holding Company for Tourism & Real Estate Investments, a company registered under the laws of Libya and having its registered office at Al-Hamamat St., Al Madina Alsiahya, Tripoli, Libya;
“AUCC”	Arab Union Contracting Company, a company registered under the laws of Libya and having its registered office at Level 21, General Department, Tripoli Tower, Tower 1, Tripoli, Libya;
“Corinthia Group”	CPHCL (as defined below) and the companies in which CPHCL has a controlling interest;
“CPHCL”	Corinthia Palace Hotel Company Limited, a company registered under the laws of Malta with company registration number C 257 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta. CPHCL is the parent company of the Corinthia Group;
“Directors” or “Board”	the directors of the Company whose names are set out in sub-section 4.1 of this Registration Document;
“EBITDA”	earnings before interest, tax, depreciation and amortisation;
“EDREICO”	formerly the Economic Development and Real Estate Investment Company, a company registered under the laws of Libya and having its registered office at 49, 4th Floor, Burj Al Fatah Tower, PO BOX 93142, Tripoli, Libya;
“Euro” or “€”	the lawful currency of the Republic of Malta;
“Global Note” or “Note”	the Global Note issued by the Issuer in favour of the Nominee and Placement Agent representing the amount due by the Issuer to the Nominee and Placement Agent and creating, acknowledging and representing the indebtedness of the Issuer to the Nominee and Placement Agent under the terms and conditions set out in the form of Annex A1 to the Securities Note;
“Global Note Obligations”	the punctual performance by the Issuer of all of its obligations under the Global Note, including the repayment of principal and payment of interest thereon;
“Global Noteholder”	the holder of the Global Note;
“Group”	collectively, the Issuer (parent company), PCL and PWL (subsidiary companies) and MTJSC (associate company);
“IHI”	International Hotel Investments plc, a company registered under the laws of Malta with company registration number C 26136 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
“Issuer” or “MIH” or “Company”	Mediterranean Investments Holding plc, a public company registered under the laws of Malta with company registration number C 37513 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
“LAFICO”	Libyan Foreign Investment Company, a company registered under the laws of Libya with company registration number 9481 and having its registered office at Ghadem Aljabel, Gharian, P.O. Box 4538 Tripoli, Libya;



“Listing Authority”	the Board of Governors of the Malta Financial Services Authority, appointed as the Listing Authority for the purposes of the Financial Markets Act (Chapter 345 of the laws of Malta);
“Listing Rules”	the listing rules issued by the Listing Authority, as may be amended from time to time;
“LPTACC”	Libya Projects General Trading And Contracting Company, a company registered under the laws of Kuwait with company registration number 119633 and having its registered office at Office 16/Mezzanine, Block 12, Al Asfour International Company, Al Manqaf, Kuwait;
“Maturing Notes”	the 6% unsecured notes 2020 due to mature on 3 October 2020, amounting as at the date of the Prospectus to €11,000,000, issued by the Issuer pursuant to a prospectus dated 18 September 2015;
“Medina Tower”	the proposed Medina Tower project in Tripoli, Libya;
“Memorandum and Articles of Association” or “M&As”	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus. The terms “Memorandum”, “Articles” and “Articles of Association” shall be construed accordingly;
“MFSA”	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Chapter 330 of the laws of Malta);
“MSE Bye-Laws”	the MSE bye-laws issued by the authority of the board of directors of Malta Stock Exchange plc, as may be amended from time to time;
“MTJSC”	Medina Tower Joint Stock Company for Real Estate and Development, a joint stock investment company registered under the commercial laws of Libya in accordance with Law No. 5 (1997) as amended by Law No. 7 (2004) and Law No. 9 L(2010), having its registered office at Tripoli Tower, Suite 107, Tower 2, Level 10, Tripoli, Libya, and bearing privatisation and investment board number 343;
“Nominee and Placement Agent”	MZ Investment Services Ltd, a private limited liability company duly registered and validly existing under the laws of Malta with company registration number C 23936 and with its registered office at 61, MZ House, St Rita Street, Rabat RBT 1523, Malta;
“NPHC”	National Projects Holding Company (KSC), a company registered under the laws of Kuwait with company registration number 111731 and having its registered office at National Market Building, Fourth Floor, Office 24, Abdullah Al Salem, Al Mirqab, Kuwait;
“NREC”	National Real Estate Company KSCP, a company registered under the laws of Kuwait with company registration number 19628 and having its registered office at P.O. Box 64585, Shuwaikh, B 70456, Kuwait;
“Offer”	the offer for participation in the Global Note through the issuance of Participation Notes;
“Offer Amount”	€11,000,000;
“Palm City Residences”	the Palm City Residences, a property operated by PCL (as defined below) and situated in Janzour, Libya;
“Participation Note”	a transferable note of a nominal value of €1,000 issued by the Nominee and Placement Agent to a Participation Noteholder acknowledging the interest of the person named therein in the Global Note, and evidencing an entry in the Register of Investors;
“Participation Noteholder”	a holder of a Participation Note;

“PCL” or “Palm City Ltd”	Palm City Ltd, a company registered under the laws of Malta with company registration number C 34113 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
“PWL”	Palm Waterfront Ltd, a company registered under the laws of Malta with company registration number C 57155 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
“Prospectus”	collectively, the Summary, this Registration Document and the Securities Note, all dated 18 September 2020, as such documents may be amended, updated, replaced and supplemented from time to time;
“Prospectus Regulation”	Commission Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as may be amended and/or supplemented from time to time;
“Register of Investors”	the register to be maintained by the Nominee and Placement Agent identifying the Participation Noteholders from time to time;
“Registration Document”	this registration document in its entirety issued by the Issuer dated 18 September 2020, forming part of the Prospectus;
“Securities Note”	the securities note issued by the Issuer dated 18 September 2020, forming part of the Prospectus; and
“Summary”	the summary issued by the Issuer dated 18 September 2020, forming part of the Prospectus.

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

Unless it appears otherwise from the context:

- (a) words importing the singular shall include the plural and vice-versa;
- (b) words importing the masculine gender shall include the feminine gender and vice-versa;
- (c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
- (d) any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- (e) any reference to a person includes that person’s legal personal representatives, successors and assigns;
- (f) 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
- (g) 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 Registration Document.



2. RISK FACTORS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN INDEPENDENT PROFESSIONAL ADVISERS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE COMPANY.

WHILE THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS INTENDED TO BE INDICATIVE OF THE ORDER OF PRIORITY AND OF THE EXTENT OF THEIR CONSEQUENCES, PROSPECTIVE INVESTORS ARE HEREBY CAUTIONED THAT THE OCCURRENCE OF ANY ONE OR MORE OF THE RISKS SET OUT BELOW COULD HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

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

NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED HEREIN IN CONNECTION WITH SECURITIES ISSUED BY THE ISSUER:

- (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, NOR
- (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE NOMINEE AND PLACEMENT AGENT THAT ANY RECIPIENT OF THE PROSPECTUS, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER.

PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS OF THIS DOCUMENT.

2.1 Forward-looking Statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Issuer's strategies and plans relating to the attainment of its objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may, accordingly, involve predictions of future circumstances. Prospective investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or similar phrases. Such forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer's control.

If any of the risks described below were to materialise, they could have a serious effect on the Issuer's financial results, trading prospects and the ability of the Issuer to fulfil its Global Note Obligations under the securities to be issued in terms of the Prospectus.

Accordingly, the Issuer cautions prospective investors that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by such statements, that such statements do not bind the Issuer with respect to future results and no assurance is given that the projected future results or expectations covered by such forward-looking statements will be achieved.

Prospective investors are advised to read the Prospectus in its entirety and, in particular, all the risk factors set out in the Prospectus for a further discussion of the factors that could affect the Issuer's future performance. In the light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in the Prospectus may not occur. All forward-looking statements contained in the Prospectus are made only as at the date hereof. The Issuer and its directors

expressly disclaim any obligations to update or revise any forward-looking statements contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

2.2 Risks relating to the Group and its Business

The Issuer was incorporated in 2005 and, through PCL, has been primarily involved in the development and operation of Palm City Residences. Until such time when the Medina Tower project and the Palm Waterfront project are fully developed and launched on the market, the Issuer will continue to be solely dependent on the business prospects and operating results of PCL.

The operations of PCL and its operating results are subject to a number of factors that could adversely affect the Group's business and financial condition, some of which are beyond the Group's control.

2.2.1 Risks relating to the political, economic and social environment in Libya

Whilst the Issuer and PCL are registered in Malta, the assets, operations, business interests and activities of PCL are located or conducted in Libya through a branch of PCL. The Issuer is also an investee in a joint stock company MTJSC in respect of the business interests of the Medina Tower project, a project that will be developed in future in Tripoli, Libya. An application for the establishment of an investment project is underway at the Libyan Ministry of Economy in respect of the future development of Palm Waterfront. The Group's business activities over the coming years are expected to be focused on and aimed at the development of the Medina Tower project in which the Group has a 25% holding and Palm Waterfront, which is to be developed by a 100% owned subsidiary of the Issuer. Accordingly, the Group is susceptible to the political and economic risks that may from time to time influence Libya's prospects. Negative political or economic factors and trends in or affecting Libya could have a material impact on the business of the Issuer.

The continued instability and state of uncertainty and unpredictability prevailing since the 2011 uprising continues to have a negative effect on travel to Libya and, accordingly, on the performance and operation of the Group as well as on the financial results of the Group. Economic uncertainty and political risk remain high in Libya with prevalent threats to investment in the country. Most foreign embassies in Libya are either closed or have suspended operations and withdrawn their diplomatic staff, albeit recently a number of countries have re-opened their embassies. Those governments that have as yet not re-opened their embassy in the country have advised their respective nationals against all unnecessary travel to the country. Although an agreement was reached in 2019 between the Government of National Accord and opposition forces, sustained levels of governance, stability and economic development cannot as yet be considered to have been achieved, and notwithstanding the reported efforts of the UN Special Mission in Libya (UNSMIL) the threat of further deterioration in Libya's general political, economic and social environment prevails.

Any unexpected changes in the political, social, economic or other conditions in Libya may have an adverse effect on the operations and financial results of the Group and on any investments made by the Group, as occurred between 2014 and 2016 and again in 2019 to present date when PCL's operations were adversely affected by the conflict and political turmoil in Libya, reporting decreases in occupancy levels and residential rental rates for those years.

Security concerns resulting from the above, as well as social unrest and lack of clarity on the political situation, have also brought about a decline in investor confidence, investment (including foreign direct investment) and capital spending. The consequences may be profound and, accordingly, prospective investors should take into account the unpredictability associated therewith.

The above-mentioned negative political and economic factors and trends may continue to have a negative influence on the operating results of the Group and could also have a material impact on the business of the Group in the region.

2.2.2 COVID-19 pandemic and possible similar future outbreaks

Different regions in the world have, from time to time, experienced outbreaks of various viruses. At this time, a widespread global pandemic of the infectious disease COVID-19 is taking place. As the virus is relatively new, effective cure and vaccines are yet to be developed. While COVID-19 is still spreading and the final implications of the pandemic are difficult to estimate at this stage, it is clear that it will affect the lives of a large portion of the global population and cause significant effects. At this time, the pandemic has caused state of emergencies being declared in various countries, travel restrictions being imposed, quarantines been established and various institutions and



companies being closed. The ongoing COVID-19 pandemic and any possible future outbreaks of viruses may have a significant adverse effect on the Group.

Firstly, a spread of such diseases amongst the employees of the Group, as well as any quarantines affecting the employees of the Group or the Group's facilities, may reduce the possibility of the Group's personnel to carry out their work and thereby affect the Group's operations. Secondly, the current pandemic and any possible future outbreaks of viruses may have an adverse effect on the Group's suppliers and/or transportation companies, resulting in a deficit of production inputs necessary for the Group to carry out its operations.

Further to the above, the Group may be adversely affected by the wider macroeconomic effect of the ongoing COVID-19 pandemic and any possible future outbreaks. While the final effects of the COVID-19 pandemic are, at this stage, difficult to assess, it is possible that it will have substantial negative effect on the economies the Group operates in. These effects may also take place in case of any possible future outbreaks. Any negative effect on the economy may decrease incomes of the end-customers of the Group and the demand for the Group's offerings.

Any of the factors set out above could have an adverse effect on the Group's profits and financial position.

2.2.3 Emerging market

Prospective investors should also note that emerging markets present economic and political conditions which differ from those of the more developed markets and could possibly present less social, political and economic stability, which could render investment in such markets more risky than investments in more developed markets.

The Group's prospects should be considered in the light of the risks and the difficulties generally encountered by companies operating in emerging markets. Specific country risks that may have a material impact on the Group's business, operating results, cash flows and financial condition include: acts of warfare and civil clashes; political, social and economic instability; government intervention in the market, including tariffs, protectionism and subsidies; changes in regulatory, taxation and legal structures; exchange control and rules on expropriation, nationalisation and/or confiscation of assets; difficulties and delays in obtaining permits and consents for operations and developments; inconsistent governmental action and/or lack or poor condition of infrastructure.

The Libyan legal and judicial system may be different to what some investors may be more familiar with in certain civil and common law jurisdictions, and investors in Malta may consider such a system as not providing, in various aspects, the level of comfort for investment which they are used to under the Maltese legal system or other civil and common law jurisdictions, and, accordingly, they may consider that the Issuer may face difficulties in enforcing its legal rights relating to its investments made in Libya.

Businesses in emerging markets may not be operating in a market-oriented economy as known in more developed markets.

2.2.4 Natural disasters, contagious disease, terrorist activity and war have, in the past, adversely affected the expatriate community and similar events could adversely affect the industry in the future

Natural disasters, the spread of contagious disease (including COVID-19), industrial action, travel-related accidents, terrorist activity and war and the targeting of particular destinations have had a significant negative impact on the travel industry globally and such events could have a similarly negative impact in the future.

Such events occurring in the location where the Group operates will invariably affect tenancy patterns and reduce the number of business travellers to the country, including demand for residential accommodation at Palm City Residences. In addition, concerns about air travel safety could substantially decrease the overall amount of air travel. Actual or threatened war, terrorist activity, political unrest, civil strife and other geopolitical uncertainty may also reduce overall demand for business travel. Furthermore, the occurrence of any of these events or increasing concerns about these events could have a material adverse impact on the business, financial condition, results of operations and prospects of the Group.

2.2.5 Issuer's reliance on PCL to service and repay Issuer's debt securities

The timely payment of interest payable by the Issuer on its debt securities could be negatively conditioned by unforeseen adverse circumstances affecting the operations of PCL which could significantly impinge on PCL's cash flow.

The payment of interest and/or capital repayment on the Issuer's debt securities will be funded principally by the payment of inter-company loans or dividend pay-outs of PCL. The payment of inter-company loans and/or dividends by PCL will depend on, among other factors, future profits, financial position, working capital requirements, general economic conditions and other factors that its board of directors deems significant from time to time. Accordingly, any occurrence that could impede or otherwise delay the cash flow generation from Palm City Residences could have a detrimental impact on PCL's ability to pay dividends, or repay inter-company loans, which in turn would have an adverse impact on the ability of the Issuer to meet interest payments or capital repayments on its securities on their due date.

Furthermore, in respect of Palm City Residences, the Group could in future face competition from other residential properties in its area of operation. The principal factors which the Issuer expects could affect the said property's ability to both attract new tenants as well as retain tenants beyond the term of their current lease are, amongst others:

- the availability of other residential properties;
- the quality of the amenities and facilities offered;
- the level of security offered;
- the convenience and location of the residential property;
- transport infrastructure;
- the age and quality of the building in comparison to competing properties;
- the number of people who work in the Tripoli catchment area;
- the strength of tenant demand;
- the quality of past and present tenants; and
- fluctuations in rental rates and asset values of the Group's properties as well as of property in and around Tripoli generally.

2.2.6 The Group may not be able to obtain the capital it requires for development of new properties or improvement of existing ones on commercially reasonable terms, or at all

The Group's ability to implement its business strategies is dependent upon, amongst other things, its ability to generate sufficient funds internally and to access financing at acceptable costs. No assurance can be given that sufficient financing for its current and future investments will be available on commercially reasonable terms or within the timeframes required by the Group, also taking into account the need, from time to time, for the Group's properties to undergo renovation, refurbishment or other improvements. Any weakness in the capital markets may limit the Group's ability to raise capital for completion of projects that have commenced or for development of future investments. Failure to obtain, or delays in obtaining, the capital required to complete current or future developments on commercially reasonable terms, including increases in borrowing costs or decreases in loan funding, may limit the Group's growth and materially and adversely affect its business, financial condition, results of operations and prospects.

2.2.7 Fluctuations in property values

As stated above, the Group is involved in the acquisition and development of properties. Property values are affected by and may fluctuate, *inter alia*, as a result of changing demand, changes in general economic conditions, changing supply within a particular area of competing space and attractiveness of real estate relative to other investment choices. The value of the Group's property portfolio may also fluctuate as a result of other factors outside the Group's control, such as changes in regulatory requirements and applicable laws (including in relation to taxation and planning), political conditions, the condition of financial markets, potentially adverse tax consequences, interest and inflation rate fluctuations.

The Group's operating performance could be adversely affected by a downturn in the property market in terms of capital values. The valuation of property and property-related assets is inherently subjective, due to, among other things, the individual nature of each property and the assumptions upon which valuations are carried out. Accordingly, there is no assurance that valuations of Group properties and property-related assets will reflect actual market values that could be achieved upon a sale. Actual values may be materially different from any future values that may be



expressed or implied by forward-looking statements set out in the relative valuation or anticipated on the basis of historical trends, as reality may not match the assumptions made.

2.2.8 The Group's indebtedness could adversely affect its financial position

The Group has a material amount of debt and the amount of debt funding of the Issuer is expected to increase as and when the Issuer commences the Medina Tower and the Palm Waterfront projects, and other possible future development plans.

A substantial portion of the Group's generated cash flows is currently utilised to make principal and interest payments on the Group's debt.

Once the Medina Tower and Palm Waterfront projects proceed to their development stage, MTJSC and PWL will be negotiating bank credit facilities for the construction of their respective projects once a decision is taken to execute these projects. The agreements regulating the bank debt are likely to impose significant operating restrictions and financial covenants on MTJSC and PWL. These restrictions and covenants could limit the ability of each of the said companies and the Group to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities. Furthermore, the sites on which the Medina Tower and Palm Waterfront are to be constructed may be subject to a land charge granting a right of preference and ranking to the lending banks in priority and preference to other creditors.

2.2.9 Reliance on the Corinthia Group and NREC

The Issuer relies, and will in future be relying, on the contacts and expertise of the Corinthia Group and NREC, its principal shareholders, in connection with providing assistance in the application for and procurement of permits, licenses or other development authorisations from the competent authorities in Libya, in relation to present and future projects. However, no assurance can be given that the Issuer or its subsidiaries will be able to use such contacts and expertise as and when required.

The involvement of CPHCL and NREC in the Issuer is considered to be an important factor for the success of the Issuer, and for reasons such as those set out in the preceding paragraph, the dilution of their interest in the Issuer, if it were to occur, could have an adverse effect on the Issuer.

2.2.10 The Group may be exposed to certain financial risks, including interest rate risk which the Group may be unable to effectively hedge against

The Group's activities potentially expose it to a variety of financial risks, including market risk (principally interest rate risk and fair value risk), credit risk and risks associated with the unpredictability of financial markets, all of which could have adverse effects on the Group's financial performance.

Interest rate risk refers to the potential changes in the value of financial assets and liabilities in response to changes in the level of interest rates and their impact on cash flows. The Group may be exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows if any future borrowings are made under bank credit facilities set at variable interest rates. Although in such a case the Group may seek to hedge against interest rate fluctuations, this may not always be economically viable. Furthermore, the possibility of hedging may in future be curtailed due to the unavailability or limited availability of hedging counterparties. An increase in floating interest rates which is not hedged by the Group may have a material adverse effect on its business, financial condition and results of operations.

Furthermore, the Issuer's overseas operations are exposed, in the case of transactions not denominated in Euro, to foreign currency risk on transactions, receivables and borrowings that are denominated in a currency other than the Euro. As a result, exchange losses may arise on the realisation of amounts receivable and the settlement of amounts payable in foreign currencies.

The Issuer's financial statements, which are presented in Euro, can be affected by foreign exchange fluctuations through both translation risk, which is the risk that the financial statements for a particular period or as of a certain date depend, although in part only, on the prevailing exchange rate to the Libyan Dinar against the Euro; and transaction risk, which is the risk that the currency of the costs and liabilities fluctuates in relation to the currency of its revenue and assets, which fluctuation may adversely affect its operating performance.

2.2.11 Liquidity risk

In view of the fact that the Group is, in the main, a property holding organization, coupled with the fact that property is a relatively illiquid asset, such illiquidity may affect the Group's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely manner and at satisfactory prices in response to changes in economic, real estate, market or other conditions, or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiration of the lease term. These factors could have an adverse effect on the Group's financial condition and results.

3. PERSONS RESPONSIBLE AND AUTHORISATION STATEMENT

3.1 Persons Responsible

This Registration Document includes information given in compliance with the Act for the purpose of providing prospective investors with information with regard to the Issuer. Each and all of the Directors of the Issuer whose names appear in sub-section 4.1 of this Registration Document accept responsibility for all the information contained in the Prospectus.

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

3.2 Authorisation Statement

This Registration Document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. It has been approved by the Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies, as the competent authority under the Prospectus Regulation. The Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies, only approves this Registration Document 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 that is the subject of this Registration Document.

4. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT, ADVISERS AND AUDITORS OF THE ISSUER

4.1 Directors

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

Alfred Pisani	[ID No. 126839M]	Executive Director and Chairman
Ahmed B A A A Wahedi	[Passport No. 003594145]	Non-executive Director and Deputy Chairman
Joseph Pisani	[ID No. 672637M]	Non-executive Director
Faisal J.S. Alessa	[Passport No. P05449499]	Non-executive Director
Joseph Fenech	[ID No. 656656M]	Executive Director
Mario P. Galea	[ID No. 522554M]	Independent, Non-executive Director
Ahmed Yousri A. Nouredin Helmi	[Passport No. A14441068]	Independent, Non-executive Director

Mr Alfred Pisani and Mr Joseph Fenech occupy senior executive positions within the Corinthia Group. The other five Directors, Mr Ahmed B A A A Wahedi, Mr Joseph Pisani, Mr Faisal J.S. Alessa, Mr Mario P. Galea and Mr Ahmed Yousri A. Nouredin Helmi, serve on the Board of the Issuer in a non-executive capacity. Mr Mario P. Galea and Mr Ahmed Yousri A. Nouredin Helmi are considered as independent Directors since they are free of any business, family or other relationship with the Issuer, its controlling shareholders or the management of either, that could create a conflict of interest such as to impair their judgement. In assessing Mr Galea's and Mr Ahmed Yousri A. Nouredin Helmi's independence due notice has been taken of Listing Rule 5.119 of the Listing Rules.

The business address of Mr Alfred Pisani, Mr Joseph Pisani, Mr Joseph Fenech and Mr Mario P. Galea is 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta.

The business address of Mr Ahmed B A A A Wahedi, Mr Faisal J.S. Alessa and Mr Ahmed Yousri A. Nouredin Helmi is P.O. Box 64585, Shuwaikh, B 70456, Kuwait.

The Company Secretary of the Issuer is Mr Stephen Bajada.



The following are the respective *curriculum vitae* of the Directors:

Name: **Alfred Pisani**; Executive Director and Chairman

Alfred Pisani is the founder of the Corinthia Group and has been the Chairman and Chief Executive Officer since the inception of Corinthia in 1962. He was responsible for the construction of the Corinthia Group's first hotel, the Corinthia Palace Hotel in Attard. He has led the Corinthia Group from a one hotel company to a diversified group having significant interests, both locally and internationally. Mr Pisani is also the Chairman of IHI and Chairman and Chief Executive Officer of CPHCL.

Name: **Ahmed B A A A Wahedi**; Non-executive Director and Deputy Chairman

Ahmed B A A A Wahedi is the chief executive officer of NREC Capital, a division of NREC. He is responsible for NREC's asset management initiatives. Prior to joining NREC, Mr Wahedi was the Managing Director of the Real Estate Division at Boubyan Capital where he assembled a US\$100 million diversified portfolio of income generating properties in Kuwait and launched a highly successful US\$50 million Real Estate Investment Trust. Prior to Boubyan Capital, Mr Wahedi was a Corporate Development Manager at Agility where he was involved with executing several mergers & acquisitions. Mr Wahedi holds a Master of Business Administration from the Wharton School of Business and a Bachelor of Science in Civil Engineering, a Bachelor of Science in Electrical & Computer Engineering, and a Bachelor of Science in Economics from Carnegie Mellon University.

Name: **Joseph Pisani**; Non-executive Director

Joseph Pisani, besides being a founder director of CPHCL as from 1966, is also a director of IHI with effect from 22 December 2014, as well as acting as a director on a number of boards of other subsidiary companies of the Corinthia Group. Since 2000 he has served as Chairman of the Monitoring Committee of CPHCL and IHI. He was educated at St Edward's College and the University of Malta. He has ever since been intimately involved in the growth and evolution of the Corinthia Group.

Name: **Faisal J.S. Alessa**; Non-executive Director

Faisal J.S. Alessa currently holds the position of Chairman of Kuwait based NREC. Before becoming Chairman, Mr Alessa served NREC by leading its business development function and as a board member, Chairman and Managing Director of various subsidiary organisations. Prior to joining NREC, he was the chairman of United Capital Group, a company registered in Kuwait with over US\$700 million in assets under management. Mr Alessa is a graduate of Barry University in Miami, Florida, USA. Besides holding office as a non-executive Director of the Issuer, Mr Alessa also serves as a member of the board of directors of Kuwait Agricultural Company and Kuwait Agro for General Trading and Contracting.

Name: **Joseph Fenech**; Executive Director

Joseph Fenech is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom and a Fellow of the Malta Institute of Accountants. Mr Fenech joined the Corinthia Group in 1980 after having spent a number of years as senior auditor with a local auditing firm. His first appointment was as Group Accountant responsible for all financial and accounting matters of the Corinthia Group operations. Mr Fenech is the Joint Chief Executive Officer of IHI.

Name: **Mario P. Galea**; Independent, Non-executive Director

Mario P. Galea was the founder, managing partner and Chairman of Ernst & Young Malta until he retired in 2012. Currently he serves on a number of boards of directors, finance committees and audit committees in various companies. Mr Galea is a certified public accountant and auditor, a Fellow of the Association of Chartered Certified Accountants and a Fellow of the Malta Institute of Accountants. He has served as President of the Malta Institute of Accountants and held various other positions in the Institute, Federation des Comptables Européens (FEE) and the Accountancy Board, which is the regulator of the accountancy profession in Malta. Mr Galea is the independent non-executive Director competent in accounting and auditing matters and acts as the Chairman of the Audit Committee of the Issuer. Furthermore, Mr Galea is a director of the following public limited liability companies: Corinthia Finance plc, Santumas Shareholdings plc, BNF Bank plc, Merkanti Holding plc, Exalco Finance plc, Phoenicia Finance Company plc and Best Deal Properties Holding plc.

Name: **Ahmed Yousri A. Noureldin Helmi**; Independent, Non-executive Director

Ahmed Yousri A. Noureldin Helmi is an accomplished executive with an outstanding track record in spearheading transformational programs, including debt restructuring, organisational streamlining and digital implementation, delivering cost efficiencies and driving shareholders' value. He has ventured into major business acquisitions with proven abilities in business modelling and analysis. Mr Yousri Helmi is the current group CFO of NREC. Prior to joining NREC, Mr Yousri Helmi was the CEO of Invest Group and CFO at the Sultan Centre Group where he played an integral part in the continual growth and success of the group, driving operational, commercial and financial activities. Mr Yousri Helmi holds a Master of Business Administration from American University of Beirut in Lebanon and is a certified public accountant registered with the California Board of Accountancy.

4.2 Senior Management

As at the date of the Prospectus the Issuer does not have any employees of its own and is reliant on the resources which are made available to it by CPHCL pursuant to the MSS Agreement detailed in sub-section 5.1.3 of this Registration Document, including, in particular, the services of Mr Reuben Xuereb, who is the Chief Executive Officer of MIH, Ms Rachel Stilon, who is the Chief Financial Officer of MIH, and Mr Stephen Bajada who acts as the Company Secretary of MIH.

The following are the respective *curriculum vitae* of the key members of the Group's executive team:

Name: **Reuben Xuereb**; Chief Executive Officer of MIH

Reuben Xuereb joined the Corinthia Group in January 2005 in a senior executive role and has since been heading the real estate investments and operations in Libya. Having worked in the Middle East with one of the largest finance houses and investment groups based in Bahrain, he has specialised in real estate investment structures and is responsible for corporate strategy and business development of MIH. Prior to that, Mr Xuereb was the Chief Financial Officer of FIMBank - an international trade finance bank headquartered in Malta for six years. Mr Xuereb is also the CEO of MTJSC, Chairman and CEO of PCL, and Executive Chairman and CEO of QPM Limited.

Name: **Rachel Stilon**; Chief Financial Officer of MIH

Rachel Stilon graduated with a B.A. (Hons) Accountancy from the University of Malta in 1996. She worked for PricewaterhouseCoopers before joining the internal audit department of Corinthia Group in 1998. In 2000 she moved into corporate finance as financial controller of CPHCL. Since then she has held various corporate finance related positions, including financial controller of Corinthia Finance plc. Ms Stilon is a certified public accountant and auditor, is a member of the Malta Institute of Accountants and serves as a director on the board of Federated Mills plc.

Name: **Stephen Bajada**; Company Secretary of MIH

Stephen Bajada joined the Corinthia Group in 1998 after having spent a number of years as senior manager with the National Tourism Organisation Malta, responsible for research and development. Since joining the Corinthia Group he has occupied a number of senior positions ranging from administration, overall responsibility of the insurance requirements of the Corinthia Group, as well as company secretary for a number of Corinthia Group companies ranging from hospitality management, catering, events and project management in various jurisdictions. Mr Bajada has served as Company Secretary to MIH, PCL and PWL since 2012. He is a graduate in business management from the University of Malta.

The Directors believe that the Group's present management organisational structures are adequate for the current activities of the Issuer and the Group generally. The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the Group's business and to strengthen the checks and balances necessary for optimum corporate governance and maximum operational efficiency.



4.3 Advisers

Nominee and Placement Agent

Name: MZ Investment Services Ltd
Address: 61, MZ House, St Rita Street, Rabat RBT 1523, Malta

As at the date of the Prospectus the Nominee and Placement Agent does not have any beneficial interest in the share capital of the Issuer. Additionally, save for the terms of engagement relative to the services provided by the Nominee and Placement Agent in connection with the preparation of the Prospectus, no material transactions have been entered into by the Issuer with the Nominee and Placement Agent.

The Nominee and Placement Agent has advised and assisted the Directors in the drafting and compilation of the Prospectus.

4.4 Auditors

Name: Grant Thornton
Address: Fort Business Centre, Triq l-Intornjatur, Zone 1, Central Business District, Birkirkara CBD 1050, Malta

The annual statutory consolidated financial statements of the Issuer for the financial years ended 31 December 2017, 2018 and 2019 have been audited by Grant Thornton. Grant Thornton is a firm registered as a partnership of certified public accountants holding a practicing certificate to act as auditors in terms of the Accountancy Profession Act, 1979 (Chapter 281 of the laws of Malta).

5. INFORMATION ABOUT THE ISSUER

5.1 Historical Development of the Issuer

5.1.1 Introduction

Full legal and commercial name of the Issuer:	Mediterranean Investments Holding plc
Registered address:	22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta
Place of registration and domicile:	Malta
Registration number:	C 37513
Date of registration:	12 December 2005
Legal form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act
Legal Entity Identifier:	213800BEHWHFJ6UYZR18
Telephone number:	+356 2123 3141
E-mail address:	info@mihplc.com
Website:	www.mihplc.com

The principal objects of the Issuer, which objects are limited to activities outside Malta and to such other activities as are or may be necessary for its operations from Malta, are to directly or indirectly acquire, develop and operate real estate opportunities in North Africa, including, without limitation, opportunities with respect to retail outlets, shopping malls, office and commercial buildings, residential gated compounds, housing, hotels, build-operate-transfer (BOT) agreements and other governmental projects and conference centres. The issue of debt securities falls within the objects of the Issuer.

The Issuer was set up on 12 December 2005 as a private limited liability company and was subsequently converted into a public limited liability company on 6 November 2007. Today, following a share capital increase effected in 2006, MIH has an authorised share capital of €100,000,000 divided into 50,000,000 ordinary 'A' shares of a nominal value of €1 each and 50,000,000 ordinary 'B' shares of a nominal value of €1 each. The issued share capital of MIH is €48,002,000 divided into 24,001,000 ordinary 'A' shares of €1 each and 24,001,000 ordinary 'B' shares of €1 each, all of which have been fully paid. Each of CPHCL and NREC (directly or indirectly) hold 50% of the Issuer's share capital. Of the 50% share owned by NREC, 10% is held by its subsidiary LPTACC, a fully owned subsidiary of NPHC which, in turn, is 99.8% owned by NREC. In terms of the Memorandum and Articles of Association of the Issuer, CPHCL, as the holder of ordinary 'A' shares, has the right to appoint three Directors to the Board and NREC and LPTACC, as the holders of ordinary 'B' shares, jointly have the right to appoint three Directors to the Board,

with the seventh Director jointly appointed by CPHCL, NREC and LPTACC. Further details concerning the manner in which the shares in MIH are subscribed to are set out in sub-section 8.1 of this Registration Document.

There are no recent events particular to the Issuer which are, to a material extent, relevant to the evaluation of the Issuer's solvency.

Since incorporation MIH issued ten debt securities, three of which are currently listed and traded on the Official List of the Malta Stock Exchange.

In November 2007, pursuant to a prospectus dated 7 November 2007, MIH issued LM6,439,500 (equivalent to €15,000,000) 7.5% bonds redeemable at par between 2012 and 2014. These bonds, which matured on 4 December 2014, were repaid in full upon maturity.

In July 2008, MIH issued to the public in Malta €15,000,000 7.5% bonds due in 2015 having a nominal value of €100 each and issued at par, subject to an over-allotment option of an additional €5,000,000 bonds on the same terms. The said issue of bonds was regulated by the prospectus dated 15 July 2008 and in virtue thereof the maturity date of the bonds in question fell due on 4 August 2015. This bond was repaid with the proceeds raised from another bond issued by MIH in July 2015 (as detailed below in this sub-section).

In June 2010, MIH issued an aggregate of €40,000,000 7.15% bonds redeemable at par between 2015 and 2017 which were distributed as follows upon issue: €28,767,200 in EUR denominated bonds, £4,385,900 in GBP denominated bonds and US\$7,216,500 in USD denominated bonds. The said issue of bonds was regulated by the prospectus dated 14 June 2010. The said bonds, the aggregate value of which stood at €39,920,281 as at 29 May 2017, were redeemed by MIH on 6 July 2017 from the proceeds raised from another bond issued by the Issuer in May 2017 (as detailed below in this sub-section).

In June 2014, MIH issued a further €12,000,000 6% bonds due 2021 having a nominal value of €100 each and issued at par pursuant to a prospectus dated 2 June 2014. The maturity date of the bonds in question falls due on 22 June 2021 and interest on the bonds is payable annually in arrears on 22 June of each year between and including each of the years 2015 and 2021. The net proceeds from said June 2014 bond issue were used by MIH to part finance the redemption of the outstanding amount of €14,757,659 7.5% bonds which had been previously issued by MIH in November 2007. As at the date of this Registration Document the amount of €12,000,000 of the said June 2014 bond remains outstanding.

In July 2015, MIH issued a further €20,000,000 5.5% unsecured bonds due 2020 having a nominal value of €100 each and issued at par pursuant to a prospectus dated 1 July 2015. The net proceeds from said July 2015 bond issue were used by MIH to finance the redemption of the outstanding amount of €19,649,600 7.5% bonds 2015 which had been previously issued by MIH in July 2008. The said bonds, the aggregate value of which stood at €18,407,800 as at 1 July 2020, were redeemed by MIH on 30 July 2020 from the proceeds raised from another bond issued by the Issuer in July 2020 (as detailed below in this sub-section).

In September 2015, MIH issued a further €11,000,000 6% unsecured and unlisted notes due 2020 having a nominal value of €1,000 each and issued at par pursuant to a prospectus dated 18 September 2015. The maturity date of the notes in question falls due on 3 October 2020 and interest on the notes is payable annually in arrears on 3 October of each year between and including each of the years 2016 and 2020. As at the date of this Registration Document the amount of €11,000,000 of the said September 2015 issue remains outstanding and it is the Issuer's intention to repay said outstanding amount from the proceeds raised from the Global Note as set out in sub-section 5.1 of the Securities Note.

In May 2017, MIH issued a further €40,000,000 5% unsecured bonds due 2022 having a nominal value of €100 each and issued at par pursuant to a prospectus dated 29 May 2017. The maturity date of the bonds in question falls due on 6 July 2022 and interest on the bonds is payable annually in arrears on 6 July of each year between and including each of the years 2018 and 2022. The net proceeds from said May 2017 bond issue were used by MIH to finance the redemption of the outstanding amount of €39,920,281 7.15% bonds 2015 – 2017 which had been previously issued by MIH in June 2010. As at the date of this Registration Document the amount of €40,000,000 of the said May 2017 bond remains outstanding.

In July 2020, MIH issued a further €20,000,000 5.5% unsecured bonds due 2023 having a nominal value of €100 each and issued at par pursuant to a prospectus dated 1 July 2020. The maturity date of the bonds in question falls due

on 31 July 2023 and interest on the bonds is payable annually in arrears on 31 July of each year between and including each of the years 2021 and 2023. The net proceeds from said July 2020 bond issue were principally used by MIH to finance the redemption of the outstanding amount of €18,407,800 5.5% unsecured bonds 2020 which had been previously issued by MIH in July 2015. As at the date of this Registration Document the amount of €20,000,000 of the said July 2020 bond remains outstanding.

5.1.2 Overview of the Group's business

Palm City Residences

Since incorporation, the Issuer has been primarily involved, through PCL, in the development and operation of the Palm City Residences. This oceanfront gated complex, located in Janzour, Libya, consists of 413 residential units, ranging from one-bedroom apartments to four-bedroom fully detached villas with private pools, constructed on a plot of land measuring 171,000m² and enjoying a 1.3km shorefront (including beach area). The village-type complex offers a host of amenities and leisure facilities that include a piazza, supermarket, a variety of retail shops, a laundry, a health clinic and a number of catering outlets and cafes. The development also features numerous indoor and outdoor sports facilities, including a fully equipped gym, squash court, tennis courts, an indoor pool, water sports facilities and an outdoor swimming pool.

By virtue of an agreement dated 5 July 2006, CPHCL holds legal title under Libyan law to the land on which Palm City Residences are built. Such agreement is for a term of 99 years. With effect from 6 July 2006 PCL entered into a build-operate-transfer agreement with CPHCL, whereby CPHCL engaged PCL to complete the construction of the Palm City Residences and to operate the said complex thereafter for a 65-year term. Upon the expiry of this 65-year term, PCL is bound to transfer the operation back to CPHCL.

The Group has been in the process of registering a joint stock company in Libya, to be owned as to 90% of its share capital by PCL (CPHCL and NREC to hold the remaining 10% in equal proportions between them). Subject to approval by the competent authority in Libya, the Libyan Investment Board, title to the land underlying the Palm City Residences will be transferred by CPHCL to such company. Upon such title transfer taking effect, the build-operate-transfer (BOT) agreement between PCL and CPHCL will be terminated, resulting in PCL no longer being bound to return the operation of the Palm City Residences to CPHCL upon the lapse of the said 65-year term. This registration process has been on hold since 2015 pending the resolution of the current unrest in the country.

The Palm City Residences project was completed in late 2009 and by 2010 all the residences were operational. At the time, the Issuer's principal objectives remained focused on the management and operations of Palm City Residences through its subsidiary PCL and on securing medium to long-term lease contracts with a view to achieving a stabilised occupancy rate. The occupancy rate and revenue generation varied in the initial years of operation as Libya passed through a number of political changes.

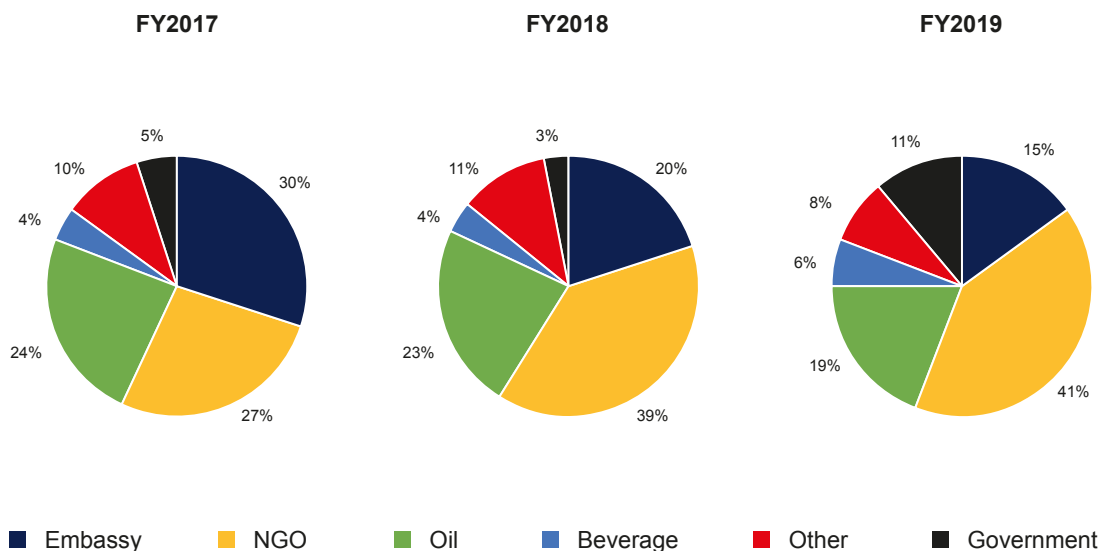
Following the instability in Libya that characterised the period between 2014 and 2016, interest in Palm City started to trickle back in towards the end of 2016 and continued throughout the following year. Several leases were signed in 2017 and a substantial improvement in occupancy figures was recorded. In fact, 2017 closed at 24.7% occupancy compared to 10.4% in 2016, whilst €8.4 million in revenue was generated, which converted into an operating profit of €4.0 million.

Revenue generated for Palm City Limited in 2018 totalled €18.9 million, an increase of €10.5 million on the previous year, with an operating profit of €12.2 million, up from €4.0 million in 2017. Further improvement in revenue figures was achieved in 2019, which generated €27.3 million in revenue, an increase of 44% over the previous year, and an operating profit of €20.2 million, up from €12.2 million registered in 2018. Importantly, the average leasing rate per unit has increased from €6,400 per month back in 2013 to over €8,800 per month in 2019. 2013 was Palm City's best year on record which generated €30.7 million in revenue on the back of a 94% occupancy.

Palm City Residences – Client Mix

The client mix consisted mainly of Oil & Gas companies, NGOs, international security providers and Embassies. A steady increase in new lease agreements throughout 2018 saw the occupancy figures grow to 45.1% by the end of 2018 and starting 2019 with January recording 51.9%. Despite the internal hostilities which started in Tripoli in April 2019, Palm City continued to lease out more units, reaching a high of 60.1% in May and closing 2019 with an average occupancy figure of *circa* 55%.

It will be noted that during the three-year period under review, occupancy and rates have increased considerably both in terms of occupancy levels achieved and the average monthly rate in the rent per unit occupied. Occupancy levels increased nearly three-fold from an average of 18.6% in 2017 to 55.2% in 2019 whilst the revenue per unit per month increase by 350% from €1,396 to €4,877. The combined effect of these positive improvements resulted in an increase in annual rental revenue from just under €7 million in 2017 to over €24 million in 2019.



Looking at the percentage sectorial take-up of the occupancy, one notes that over this time period government and NGO participation increased from a combined 32% of the total occupancy in 2017 to 52% by 2019. The oil and gas sector remains a good contributor to the overall occupancy and used to account for approximately 25% of the overall total occupancy. However, in view of the considerable increase in the take up by NGO's and government entities, this percentage reduced to 19% by 2019.

It is also important to note that over the three-year period there has also been a shift in the term of contracted leases with a higher incidence of long-term leases. The long-term portion of such leases was of 24% in 2017 but increased to 38% by 2019. This in itself demonstrates the long-term outlook that is being considered by the tenants at Palm City Residences.

Medina Tower

In 2010, MTJSC was set up for the purpose of owning and developing the Medina Tower. The shareholders of MTJSC are MIH, IHI, AUCC and AHCT, having a shareholding of 25% each (the latter two companies were formerly known as Economic Development and Real Estate Investment Company [EDREICO]). The parcel of land over which this project will be developed measures *circa* 13,000m² and is situated in Tripoli's main high street. The architectural concept stems from a 4-storey podium that will include a mix of residential, retail, commercial and conference space. A curved tower rises from the sixth level and peaks at the fortieth level, where a double height restaurant will complete the property. The development will comprise a total gross floor area of *circa* 199,000m².

The project designs of the Medina Tower are complete and all development approvals have been obtained from the relevant authorities. As to the financing of the project, the equity contribution for the first phase of this project is already fully paid up and will comprise 40% of the capital requirements of the said project. The remaining 60% of funding will be derived from a Libyan financial institution in terms of a sanction letter that has been approved and signed, but now needs to be reactivated. The project is on hold until Libya stabilises and its prospects improve.

Palm Waterfront

PWL is a wholly-owned subsidiary of MIH and will be primarily engaged in the development and operation of the Palm Waterfront site which is located in Shuhada Sidi Abuljalil, Janzour, Libya, adjacent to the Palm City Residences pursuant to a Build-Operate-Transfer Agreement entered into with CPHCL in December 2013. The arrangement gives PWL the right to develop the Palm Waterfront site. Furthermore, PWL is entitled to manage and operate the Palm Waterfront for a period of 80 years from 5 December 2013.

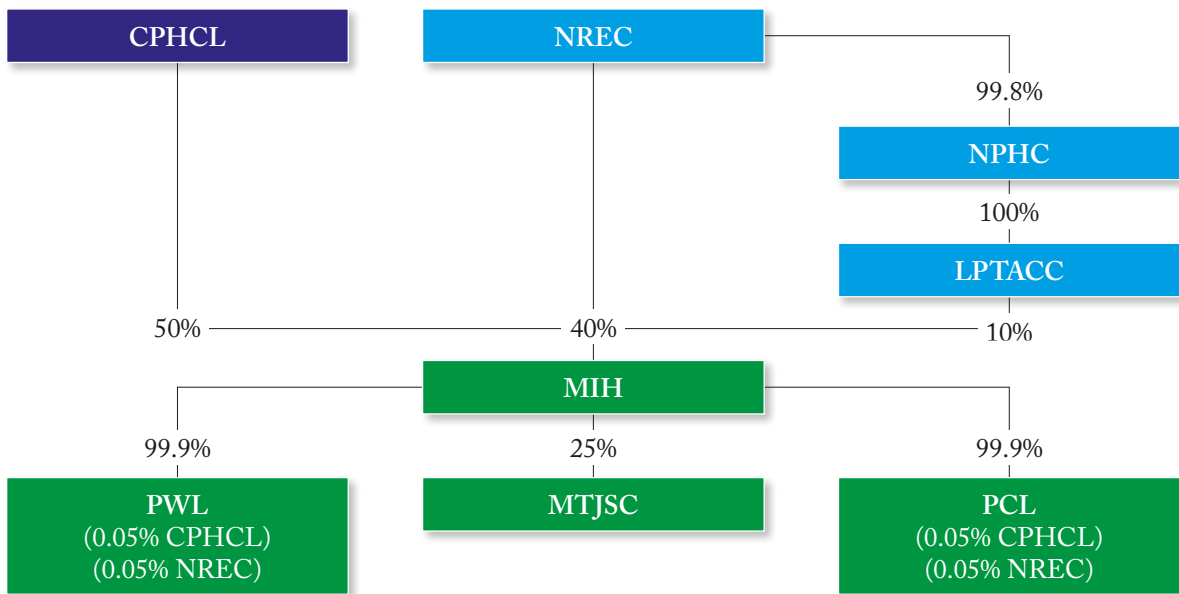
The site has a footprint of *circa* 40,000m² and the planned development shall include a 164 room 4-star hotel, 259 residential units for lease or sale, an entertainment centre comprising six cinemas and a bowling centre, retail outlets and restaurants, a car park and a marina. Apart from the studio and two-bedroom apartments, most of the residences at the Palm Waterfront will have spacious layouts. The average size of an apartment will be *circa* 250m² and the larger units are planned to measure approximately 450m² of indoor space together with large outdoor terraces.

This project has been temporarily placed on hold in view of the prevailing situation in Libya.

5.1.3 Organisational structure

The Issuer is the parent company of the Group and, accordingly, is ultimately dependent upon the operations and performance of its subsidiaries and other investments.

The organisational structure of the Group as at the date of the Prospectus is illustrated in the diagram below:



MIH

The principal activity of the Issuer is to directly or indirectly acquire, develop and operate real estate projects in Libya and invest in any related trade or business venture. The Issuer is party to a management and support services agreement dated 1 January 2020 (the “MSS Agreement”) with CPHCL in connection with the provision of management services at the strategic level of the Issuer’s business, enabling the Issuer to benefit from the experience and expertise of CPHCL in the operation of its business and the implementation of a highly efficient and cost-effective construction programme which is expected to be reflected in a substantial increase in the market value of the Group’s real estate properties.

The MSS Agreement also ensures that at the top executive and central administrative level, the Issuer has continued and guaranteed access to the top executive staff and support personnel of the Corinthia Group. The agreement has a term of two years expiring on 31 December 2021. In terms of the current agreement, in consideration for the support services afforded by CPHCL, the Issuer shall pay CPHCL a fixed annual fee of €404,412 for 2020, adjusted thereafter for inflation at 5% per annum. The Directors believe that this is a reasonable charge to the Issuer, particularly in light of the benefits enjoyed by the Issuer pursuant to the MSS Agreement, which include:

- the commitment of an executive team with over 43 years’ experience of successfully operating in Libya;
- an experienced, motivated, proven and loyal local and foreign senior management team of international calibre with an average of over 25 years’ service;
- a team of well-qualified and dynamic young professionals, fuelling the potential for future growth;
- an effective monitoring system assuring controls on standards and performance;
- a long experience in developing and managing properties planned and built to exacting standards with equally high standards demanded on maintenance, resulting in high quality, well-maintained assets; and

- corporate strength through a long-term policy of diversification into construction, project management and other service ventures.

It is the Issuer's intention to extend the MSS Agreement beyond its expiration in 2021, with no material changes thereto being anticipated.

PCL

Palm City Ltd is a private limited liability company incorporated and registered in Malta on 10 June 2004. It has an authorised share capital of €250,000,000 and an issued share capital of €140,500,000 divided into 140,500,000 ordinary shares of €1 each, fully paid up. PCL is a wholly-owned subsidiary of the Issuer. Pursuant to a build-operate-transfer agreement dated 6 July 2006 entered into by and between CPHCL and PCL, CPHCL engaged PCL to finalise the construction of Palm City Residences and operate the complex for a period of 65 years. Palm City Residences was completed at a cost of *circa* €160 million and commenced full operations in 2010.

MTJSC

By virtue of a Memorandum of Incorporation dated 20 May 2010 and registered under law no. 343 at the investment register in Tripoli, Libya on 7 August 2010, the Issuer subscribed to a 25% equity participation in a joint venture company, Medina Tower Joint Stock Company for Real Estate Investment and Development. This joint venture was set up together by IHI and EDREICO (the latter now AHCT and AUCC, two Libyan investment companies). MIH, IHI, AHCT and AUCC hold a 25% equity participation respectively. MTJSC was set up to construct the Medina Tower.

PWL

Palm Waterfront Ltd is a private limited liability company incorporated and registered in Malta on 3 August 2012. It has an authorised share capital of €100,000,000 and an issued share capital of €2,000 divided into 2,000 ordinary shares of €1 each, fully paid up. PWL is a wholly-owned subsidiary of the Issuer. On 5 December 2013, the company entered into a build-operate-transfer agreement with CPHCL which gives PWL the right to develop a site adjoining Palm City Residences on the West, located in Shuhada Sidi Abuljalil, Janzour in Libya. It also gives it the right to construct, implement, manage and operate the project to be developed on said site at its discretion. The term of the build-operate-transfer agreement is for a period of 80 years from signing date of the said agreement.

6. TREND INFORMATION AND FINANCIAL PERFORMANCE

6.1 Trend Information

Subsequent to the political unrest that occurred in Libya in July 2014 in consequence of the formation of two governments, occupancies and revenues at Palm City Residences, which is the only operational asset of the Issuer, started to reduce. In consequence of the medium to long term nature of the leases entered into by the tenants at Palm City these tenancies were only gradually reduced over the subsequent years, such that by the end of 2016, occupancies reduced to 11%.

Even in this unstable political situation, a certain form of normality was evident in the day to day activities in the country such that in January 2017, the re-opening of the Italian embassy in Tripoli gave a positive indication that the international community was forward leaning in its attempts to engage with Libya both commercially and diplomatically throughout the difficulties of the post-revolutionary period. The opening of the first western European embassy also triggered further diplomatic re-engagements in the country.

In consequence, Palm City Residences witnessed a reverse situation during the three-year period 2017 to 2019 relative to that achieved in the previous three-year period 2014 to 2016. In fact, whilst between 2014 and 2016 occupancies reduced from 87% to 11%, between 2017 and 2019 occupancies increased from 11% to 55%. More importantly, however, the average leasing rate per unit charged in the three year period 2017 to 2019 was significantly higher than that charged during the previous three year period, such that the total revenue generated by the Issuer in 2019, at €27.26 million was only marginally lower than that achieved in 2014, with much lower occupancies. The higher average leasing rate per unit charged has also helped significantly in the conversion of revenue to operating profit as will be reported in the financial information section of this Registration Document.

In April 2019 there were renewed hostilities as the Libyan National Army of the East started advancing towards Tripoli in an effort to overthrow the Government of National Accord (GNA), the United Nations recognised government of Libya. On 22 August 2020, the rival administrations announced separately that they would cease all hostilities. In addition, both administrations called for an end to an oil blockade imposed by the opposing forces since earlier this year and hold nationwide elections in March 2021. Furthermore, on 6 September 2020, at the initiative of Morocco, a meeting was held involving five members of the Tripoli-based GNA and five from a parliament in the eastern Libyan city of Tobruk. These are positive steps in the right direction, however much work still needs to be done to achieve lasting peace. Notwithstanding the said hostilities, the Palm City Residences business model once again proved its resilience given that there was only a marginal decrease in the occupancy levels registered pre-conflict period.

The global economy has experienced a significant shock from the COVID-19 pandemic, with such repercussions being experienced also in Middle Eastern and North African countries, including Libya. In response to the pandemic, the National Centre for Disease Control (NCDC) has implemented strict measures to contain the spread of the virus into and within Libya, including closing the country's borders, banning of large public gatherings and imposing travel restrictions. The GNA also announced a package amounting to 1% of the country's GDP in emergency COVID-19 related spending. Moreover, Libya is being assisted by the EU under the so-called "EU Emergency Trust Fund for Africa". The EU assistance aims at establishing better national coordination mechanisms for the detection and surveillance of infection clusters and improving public awareness of the virus and effective preventive measures. Since the outbreak, the management team at the Palm City Residences have been closely monitoring the guidance and advice of the World Health Organisation (WHO) and NCDC, and have implemented a broad range of measures to ensure the wellbeing of its staff and to provide a safe, hospitable environment for all its tenants.

Save for the matters disclosed in this Registration Document, there has been no material adverse change in the prospects of the Issuer since the date of its last published audited consolidated financial statements dated 31 December 2019.

6.2 Key Financial Review

6.2.1 Annual financial information

The historical annual financial information about the Issuer is included in the audited consolidated financial statements of the Issuer for each of the financial years ended 31 December 2017, 2018 and 2019. The said statements are available for inspection as set out under the heading "Documents available for inspection" in section 15 of this Registration Document.

The early part of 2017 demonstrated a turn around in the sentiment with tenants' perceived risk at Palm City, the only operating asset of the Issuer. From a low occupancy rate of 11% at the end of 2016, the sign-up of new tenants contributed towards a gradual increase to 20% occupancy by June 2017 and 25% by December 2017. The increased occupancy, in turn, had a positive impact on revenues which increased from €3.63 million in 2016 to €8.36 million in the financial year 2017. This improvement was not limited to increased turnover levels but also contributed to the improved operating results of the Issuer as the loss for the year before tax amounted to just €0.13 million compared to a loss of €6.38 million in 2016.

The same positive trajectory that commenced in 2017 continued unabated in 2018. In fact, the closing occupancy of 25% at the end of 2017 increased and reached 45% by December 2018. Notwithstanding the fact that the occupancy rate increased by 80% year-on-year, the increase in revenue in 2018 over 2017, at €18.86 million was more than 126%. Strict control was also maintained on the cost base such that the marginal loss of €0.13 million reported in 2017 was turned into a profit before tax of €29.3 million. If one had to remove the fair value gain of €21.6 million, the Group would have recorded a profit before tax of €7.7 million.

Palm City continued to perform resolutely despite shifting changes in the political dynamics in Tripoli for most of 2019. Palm City's business model proved its resilience even though there was no significant cessation in hostilities which started at the beginning of April of that year. Occupancies and unit average rental rates continued to improve, although at a slower momentum to that experienced the year before. Total revenue increased to €27.26 million relative to the €18.86 million registered in 2018. In consequence, the profit after tax registered by the Issuer in 2019 amounted to €14.53 million, which represented an 89% increase over the adjusted profit level registered the year before. This high-level conversion of revenue to profitability was achieved without compromising either the safety of the employees and tenants in a difficult environment, or the pristine condition of the asset.

6.2.2 Interim financial information

The following financial information is extracted from the unaudited consolidated financial statements of the Issuer for the six-month period ended 30 June 2020. The said statements are available for inspection as set out under the heading “Documents available for inspection” in section 15 of this Registration Document.

Mediterranean Investments Holding p.l.c.

Condensed Unaudited Consolidated Income Statement for the six-month period ended 30 June

	2020 (€'000)	2019 (€'000)
Revenue	12,479	13,935
Net operating costs	(3,299)	(3,876)
Operating profit	9,180	10,059
Net finance costs	(2,292)	(2,568)
Profit before tax	6,888	7,491
Taxation	(192)	(206)
Profit after tax	6,696	7,285

Mediterranean Investments Holding p.l.c.

Condensed Unaudited Consolidated Statement of Financial Position as at

	30 Jun'20 (€'000)	31 Dec'19 (€'000)
ASSETS		
Non-current assets	294,780	294,845
Current assets	25,952	20,347
Total assets	320,732	315,192
EQUITY AND LIABILITIES		
Total equity	174,177	167,481
Liabilities		
Non-current liabilities	89,099	100,759
Current liabilities	57,456	46,952
Total liabilities	146,555	147,711
Total equity and liabilities	320,732	315,192

Mediterranean Investments Holding p.l.c.

Condensed Unaudited Consolidated Statement of Cash Flows for the six-month period ended 30 June

	2020 (€'000)	2019 (€'000)
Net cash from operating activities	9,844	9,799
Net cash used in investing activities	(24)	(458)
Net cash used in financing activities	(2,633)	(6,171)
Net movement in cash and cash equivalents	7,187	3,170
Cash and cash equivalents at beginning of period	13,077	9,854
Cash and cash equivalents at end of period	20,264	13,024

Review of the business and performance

Until the conflict that erupted in April 2019, Palm City was registering month-on-month increases in occupancy, reaching a milestone figure of 60.2% in May 2019. Despite there being no significant cessation in hostilities for the rest of 2019, the business model remained resilient with an average occupancy of 54.4% between June and December. Although there were a number of planned contract terminations at the end of 2019, and notwithstanding the travel restrictions that were triggered by the global pandemic in 2020, the average occupancy for the first six months of 2020 remained stable at 50%.

During the six-month period under review, the Group's revenues amounted to €12.5 million (2019 - €13.9 million), a 10% decrease in revenue over the previous corresponding period. Operating profit amounted to €9.2 million (2019 - €10.1 million). Tight cost controls have been maintained on both operating and administrative expenses with a resulting conversion rate of operating profit to revenue of 74% (2019: 72%).

There was a decrease in finance costs, in consequence of lower interest on banks loans, shareholders loans and bonds which have all reduced relative to the corresponding period the year before. This reduction has further contributed to a higher profit after tax as a percentage of revenue, which for the period under review amounted to 54% (2019: 52%).

The average occupancy for the first six months of the year was 50%.

State of affairs

As at the end of June 2020, the Group's assets stood at €321 million, up from €315 million as at 31 December 2019. This increase represents the after-tax profit for the period under review and is mainly reflected in an increase in current assets primarily due to an increase in cash and cash equivalents. Since the outbreak of COVID, the focus was on cash preservation, with certain commitments postponed until the situation could be analysed further.

Current liabilities have increased from year-end due to a third bond being classified as due within one year. Included under current liabilities at the balance sheet date are the 5.5% bond maturing in July 2020, the 6% unlisted notes maturing in October 2020 and a listed 6% bond maturing in June 2021. This is €12 million more than that reported as at 31 December when only the first two bonds were classified as current liabilities. Without this re-classification, the Group would have reported a positive working capital position of €9.9 million at the end of June 2020 compared to an adjusted working capital position of €2.8 million at the end of last year.

6.3 Future Investments

Pursuant to the build-operate-transfer agreement entered into on 5 December 2013 by and between CPHCL and PWL, the latter is committed, subject to the issuance of the required permits and raising the necessary financing by way of equity investment in PWL and/or bank financing, to construct the Palm Waterfront.

Furthermore, pursuant to the Issuer's 25% shareholding in MTJSC and the shareholding of the other shareholders in MTJSC, MTJSC has the equity contribution required for the first phase of the Medina Tower project and a signed term sheet with a Libyan financial institution for the debt portion of this project. The said term sheet provides for a moratorium on capital repayments for the anticipated 48-month works' period required for the completion of the development.

Save for the above, the Group generally is not party to any other principal investments, and has not entered into or committed for any principal investments subsequent to 31 December 2019, being the date of the latest audited consolidated financial statements of the Issuer.

7. MANAGEMENT AND ADMINISTRATION

7.1 The Board of Directors

In terms of its Memorandum and Articles of Association, the Issuer is managed by a Board of seven (7) Directors entrusted with the overall direction and management thereof.

The Issuer's Memorandum and Articles of Association further provide that:

- CPHCL, as the holder of ordinary 'A' shares, shall have the right to appoint three (3) Directors to the Board;
- NREC and LPTACC, as the holders of ordinary 'B' shares, shall have the right to appoint three (3) Directors to the Board; and
- CPHCL, NREC and LPTACC, as the holders of ordinary 'A' shares and ordinary 'B' shares, respectively, shall have the right to jointly appoint the seventh Director to the Board.

As at the date of the Prospectus, the Board of the Issuer is composed of the individuals listed in sub-section 4.1 of this Registration Document. Furthermore, in line with generally accepted principles of sound corporate governance, at least one (1) of the Directors shall be a person independent of the Group.

During the first three-year term of the Issuer, the right to nominate the Chairman of the Board vested with CPHCL. Following the lapse of the said first three-year term, the right to appoint the Chairman of the Board vested jointly in NREC and LPTACC. Save for any amendments to the Memorandum and Articles of Association of the Issuer that may from time to time be made to such effect, the three-year term rotation policy will be maintained throughout the period that the Issuer is validly constituted.

The Board is responsible for the identification and execution of new investment opportunities and the funding of the Issuer's acquisitions. All proposed acquisitions of the Issuer are brought to the Board for approval. The Board is also responsible for ensuring the establishment of the appropriate management contracts of the Issuer's properties in the case of operational properties, and the negotiating and awarding of project contracts in the case of the development of new properties.

The Directors believe that the Issuer's current organisational structure is adequate for its present activities. The Directors will maintain this structure under continuous review to ensure that it meets the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance.

7.2 Directors' Service Contracts and Remuneration

None of the Directors have a service contract with the Issuer.

In accordance with the Issuer's Articles of Association, the Directors shall be paid such amount of remuneration as may be so agreed by an extraordinary resolution of the shareholders of the Issuer. Since the date of the Issuer's formation, no extraordinary resolution has been taken for this purpose.

7.3 Conflict of Interest

In addition to being a Director of the Issuer, Alfred Pisani is also a director of CPHCL and, together with Joseph Fenech, they are both also directors of MTJSC, whereas Mario P. Galea, Ahmed Helmi and Ahmed Wahedi are also directors of PCL and PWL, and Joseph Pisani and Faisal Alessa are also directors of PCL.

In light of the foregoing, given that Joseph Fenech, Mario P. Galea, Ahmed Helmi and Ahmed Wahedi are directors of subsidiaries forming part of the Group, including the Parent, their interests are accordingly aligned with the interests of the Issuer. Further, the Audit Committee of the Issuer has the task of ensuring that any potential conflicts of interest that may arise at any moment pursuant to these different roles held by the Directors are handled in the best interest of the Issuer and according to law. The fact that the Audit Committee is constituted in its majority by independent, non-executive Directors provides an effective measure to ensure that transactions vetted by the Audit Committee are determined on an arms-length basis. As regards related party transactions generally, the Audit Committee operates within the remit of the applicable terms of Chapter 5 of the Listing Rules regulating the role of the audit committee with respect to related party transactions.

No private interests or duties unrelated to the Issuer or the Group, as the case may be, have been disclosed by the general management team which may or are likely to place any of them in conflict with any interests in, or duties towards, the Issuer.

Senior management do not hold any shares in the Issuer.

To the extent known or potentially known to the Issuer, as at the date of this Registration Document, other than the information contained and disclosed herein, there are no other conflicts of interest between any duties of the Directors and of executive officers of the Issuer and their respective private interests and/or their duties which require disclosure in terms of the Prospectus Regulation.



None of the Directors, members of the board committees or members of management referred to in this Registration Document have, in the last five years:

- i. been the subject of any convictions in relation to fraudulent offences or fraudulent conduct;
- ii. been associated with bankruptcies, receiverships or liquidations (other than voluntary) in respect of entities in respect of which they were members of administrative, management or supervisory bodies, partners with unlimited liability (in the case of a limited partnership with a share capital), founders or members of senior management;
- iii. been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies); or
- iv. been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

7.4 Loans to Directors

There are no loans outstanding by the Issuer to any of its Directors, nor any guarantees issued for their benefit by the Issuer.

7.5 Removal of Directors

A Director may, unless he resigns, be removed by the shareholder appointing him or by an ordinary resolution of the shareholders as provided in Articles 139 and 140 of the Act. The Directors currently in office are expected to remain in office at least until the next Annual General Meeting of the Company.

7.6 Powers of Directors

By virtue of the provisions of the Articles of Association of the Issuer, the Directors are empowered to transact all business which is not by the Articles expressly reserved for the shareholders in general meeting.

7.7 Employees

As at the date of the Prospectus the Issuer does not have any employees of its own and is reliant on the resources which are made available to it by CPHCL pursuant to the MSS Agreement detailed in sub-section 5.1.3 of this Registration Document, including, in particular, the services of Mr Reuben Xuereb, who is the Chief Executive Officer of MIH, Ms Rachel Stilon, who is the Chief Financial Officer of MIH, and Mr Stephen Bajada who acts as the Company Secretary of MIH.

During 2019 the Group employed 85 members of staff, 61 of whom work in operations and the remaining 24 in administration. In this regard, the Issuer's objective during the course of 2020 is to manage the operation of the Palm City Residences efficiently and to ensure that payroll and other operating costs continue to be met.

7.8 Working Capital

At 30 June 2020, the Group reported a working capital deficiency of €31.5 million; €18.4 million of which relates to the 5.5% bonds due July 2020, the €11 million Maturing Notes and a further €12 million relates to the 6% bonds maturing in June 2021. The 5.5% bonds were redeemed pursuant to the issue of €20 million 5.5% unsecured bonds 2023 in July 2020. Excluding the above-mentioned securities, the Group would have reported a positive working capital of €9.9 million. The Directors believe that they will be successful in replacing the Maturing Notes with the issue of the Global Note. Furthermore, prior to the due date of the 6% bonds 2021, the Directors intend to redeem the said bonds with the issuance of a new bond issue and are confident that the roll over transaction will be a successful one. The Directors have also obtained written assurances from the shareholders of MIH that they will continue to support the company, proportionate to their shareholding, on an on-going basis, to enable it to meet its liabilities as and when they fall due. Accordingly, the Directors are confident that the Issuer will continue to have adequate levels of cash to sustain its operations and investments.

8. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

8.1 Major Shareholders

CPHCL currently owns 50% of the share capital of the Issuer, NREC holds 40% of the share capital, whereas LPTACC holds the remaining 10%. LPTACC is a fully-owned subsidiary by NPHC, which, in turn, is 99.8% owned by NREC.

Specifically, the Issuer has an authorised share capital of €100,000,000 divided into 50,000,000 ordinary 'A' shares of €1 each and 50,000,000 ordinary 'B' shares of €1 each. The Issuer has an issued share capital of €48,002,000 divided into 24,001,000 ordinary 'A' shares of €1 each and 24,001,000 ordinary 'B' shares of €1 each, which are subscribed to and allotted as fully paid up shares as follows:

Name of Shareholder	Number of shares held
Corinthia Palace Hotel Company Limited (C 257)	24,001,000 ordinary 'A' shares of €1 each
National Real Estate Company KSCP (19628)	19,200,800 ordinary 'B' shares of €1 each
Libya Projects General Trading And Contracting Company (119633)	4,800,200 ordinary 'B' shares of €1 each

As far as the Issuer is aware, no person holds an indirect shareholding in excess of 5% of the Company's total issued share capital. Furthermore, to the best of the Issuer's knowledge there are no arrangements in place as at the date of the Prospectus the operation of which may at a subsequent date result in a change in control of the Issuer.

The Issuer adopts measures in line with the Code of Principles of Good Corporate Governance forming part of the Listing Rules (the "Code") with a view to ensuring that the relationship with its major shareholders is retained at arm's length, including adherence to rules on related party transactions requiring the sanction of the Audit Committee, which is constituted in its majority by independent, non-executive Directors, of which one, in the person of Mr Mario P. Galea, also acts as Chairman. The Audit Committee has the task of ensuring that any potential abuse is managed, controlled and resolved in the best interests of the Issuer. The composition of the Board, including the presence of an independent, non-executive Director not appointed by either of the major shareholders of the Issuer, effectively minimises the possibility of any abuse of control by any major shareholder.

9. AUDIT COMMITTEE PRACTICES

9.1 Audit Committee

The Audit Committee's objective is to assist the Board in fulfilling its supervisory and monitoring responsibilities according to terms of reference that reflect the requirements of the Listing Rules, as well as current good corporate governance best practices.

The primary purpose of the Audit Committee is to assist the Directors in conducting their role effectively so that the Issuer's decision-making capability and the accuracy of its reporting and financial results are maintained at a high level at all times. The main responsibilities of the Audit Committee include, but are not limited to, the following:

- a) informing the Board of the outcome of the statutory audit and explaining how the statutory audit contributed to the integrity of financial reporting and the Committee's role in the process;
- b) monitoring the financial reporting process and submitting recommendations or proposals to ensure its integrity;
- c) monitoring of the effectiveness of the Issuer's internal quality control and risk management system and, where applicable, its internal audit regarding the financial reporting of the Issuer;
- d) making recommendations to the Board in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor, following appointment by the shareholders during the Issuer's Annual General Meeting;
- e) reviewing and monitoring the external auditor's independence; and
- f) evaluating the arm's length nature of any proposed transactions to be entered into by the Issuer and a related party, to ensure that the execution of such transaction is at arm's length, conducted on a sound commercial basis and in the best interests of the Issuer.

The Audit Committee has the task of ensuring that any potential conflicts of interest that may arise at any moment pursuant to the different roles held by the Directors are handled in the best interest of the Issuer. Additionally, the Audit Committee has a crucial role in monitoring the activities and conduct of business of the Group's subsidiaries, insofar as these may affect the ability of the Issuer to fulfil its Global Note Obligations. The Audit Committee also has the task of ensuring that any potential abuse is managed, controlled and resolved in the best interests of the Issuer and according to law.

A majority of the Directors sitting on the Audit Committee are of an independent, non-executive capacity. The Audit Committee is presently composed of the following three non-executive Directors - Mario P. Galea who acts as chairman (independent, non-executive Director), whilst Joseph Pisani (non-executive Director) and Ahmed Yousri A. Noureldin Helmi (independent, non-executive Director) act as members. In compliance with the Listing Rules, Mario P. Galea is the independent, non-executive Director who is competent in accounting and/or auditing matters. The Issuer considers that the members of the Audit Committee have the necessary experience, independence and standing to hold office as members thereof. The CVs of the said Directors may be found in sub-section 4.1 above.

9.2 Internal Audit

The internal audit function is conducted by CPHCL in terms of the MSS Agreement. The role of the internal audit team is to carry out systematic risk-based reviews and appraisals of the operations of the Issuer (as well as of its subsidiaries and associates from time to time) for the purpose of advising management and the Board, through the Audit Committee, on the efficiency and effectiveness of internal management policies, practices and controls. The function is expected to promote the application of best practices within the Issuer's organisational structure.

The internal audit unit reports directly to the Audit Committee.

9.3 Related Party Transactions concerning CPHCL

CPHCL regularly enters into trading transactions with fellow subsidiaries and associates within the Corinthia Group in its normal course of business. Trading transactions between these companies include items which are normally encountered in a group context and include rental charges, management fees, recharging of expenses and financing charges. These transactions are subject to the regular scrutiny of the Audit Committees of both the Issuer and of CPHCL to ensure that they are made on an arm's length basis and that there is no abuse of power by the Issuer or CPHCL in the context of related party transactions. In this regard, the Audit Committees of both the Issuer and of CPHCL meet as and when necessary for the purpose of discussing formal reports submitted by each company's internal auditor on any transactions or circumstances which may potentially give rise to such conflict or abuse.

10. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Issuer is subject to the Code and the Board has taken such measures as were considered necessary in order for the Issuer to comply with the requirements of the Code to the extent that these were deemed appropriate and complementary to the size, nature and operations of the Issuer, as follows:

- **Principles 1 & 4:** The Board of Directors is entrusted with the overall direction and management of the Issuer, including the establishment of strategies for future development, and the approval of any proposed acquisitions by the Issuer in pursuing its investment strategies. Its responsibilities also involve the oversight of the Issuer's internal control procedures and financial performance, and the review of business risks facing the Issuer, ensuring that these are adequately identified, evaluated, managed and minimised. All the Directors have access to independent professional advice at the expense of the Issuer, should they so require;
- **Principle 2:** The roles of Chairman and Chief Executive Officer are carried out respectively by Mr Alfred Pisani and Mr Reuben Xuereb;
- **Principle 3:** The Board is composed of two executive Directors, Alfred Pisani and Joseph Fenech, and five non-executive Directors (two of whom are also independent of the Issuer). Three Directors are appointed by each of the two major shareholders, CPHCL and NREC. The other, Mr Mario P. Galea, is an independent Director jointly appointed by the two major shareholders. The composition and balance on the Board is determined in accordance with the provisions set out in the Memorandum and Articles of Association of the Issuer regulating the appointment of Directors, and although the majority of non-executive Directors are not independent as recommended by the Code, the Issuer considers the present mix of executive Directors and non-executive Directors (including the two independent Directors) to create a healthy balance and serves to unite all shareholders' interests, whilst providing direction to the Issuer's management to help maintain a sustainable organisation.

The non-executive Directors constitute a majority on the Board and their main functions are to monitor the operations of the executive directors and their performance, as well as to analyse any investment opportunities that are proposed by the executive Directors. In addition, the non-executive Directors have the role of acting as an important check on the possible

conflicts of interest of the executive Directors, which may exist as a result of their dual role as executive Directors and their role as officers of CPHCL;

- **Principle 5:** The Board of Directors aims to meet regularly and all Directors are given ample opportunity to discuss the agenda and convey their opinions. During 2019 the Board of Directors met four times to discuss the operations and strategy of the Issuer;
- **Principle 6:** The Chief Executive Officer ensures that Directors are provided with relevant information to enable them to effectively contribute to Board decisions;
- **Principle 7:** The Board of Directors performs a self-evaluation of its own performance and that of its committees on an annual basis, and the Board's performance is always under the scrutiny of the shareholders. The Board considers the present evaluation procedure to suffice and, therefore, does not consider it necessary to formalise the evaluation process through the setting up of an evaluation committee;
- **Principle 8:** The Board of Directors considers that the size and operation of the Issuer does not warrant the setting up of a nomination and remuneration committee. Given that the Issuer does not have any employees of its own (its senior executive team providing services to the Issuer pursuant to the MSS Agreement), and any remuneration to the Board of Directors is determined by the shareholders of the Issuer in accordance with its Memorandum and Articles of Association, it is not considered necessary for the Issuer to maintain a remuneration committee. Also, the Issuer will not be incorporating a nomination committee. Appointments to the Board of Directors are determined by the shareholders of the Issuer in accordance with its Memorandum and Articles of Association;
- **Principle 9:** The Issuer is highly committed to having an open and communicative relationship with its bondholders and investors;
- **Principle 10:** The Issuer ensures that it is in constant contact with its principal institutional shareholders and bondholders;
- **Principle 11:** By virtue of the Issuer's Memorandum and Articles of Association, the Directors are obliged to keep the Board advised, on an on-going basis, of any interest that could potentially conflict with that of the Issuer. The Board member concerned shall not take part in the assessment by the Board as to whether a conflict of interest exists. A Director shall not vote in respect of any contract, arrangement, transaction or proposal in which he has a material interest;
- **Principle 12:** The Issuer understands that it has an obligation towards society at large to put into practice sound principles of corporate social responsibility. It achieves this through the commitments of CPHCL.

Save for the instances of non-adherence to the Code which have been explained above, the Board is of the opinion that the Issuer is in compliance with the Code.

As required by the Act and the Listing Rules, the Issuer's financial statements are subject to annual audit by the Issuer's external auditors. Moreover, the non-executive Directors will have direct access to the external auditors of the Issuer who attend at Board meetings at which the Company's financial statements are approved. Directors are entitled to seek independent professional advice at any time on any aspect of their duties and responsibilities, at the Issuer's expense.

In view of the reporting structure adopted by the Code, the Issuer, on an annual basis in its annual report, details the level of the Issuer's compliance with the principles of the Code, explaining the reasons for non-compliance, if any.



11. HISTORICAL FINANCIAL INFORMATION

The Issuer's historical annual financial information for the three financial years ended 31 December 2017, 2018 and 2019 as audited by Grant Thornton and the auditor's report thereon are set out in the applicable audited consolidated financial statements of the Issuer. Audited consolidated financial statements of the Issuer are available for inspection as set out in section 15 below and are incorporated by reference. The Issuer's consolidated financial statements may be accessed on the Issuer's website www.mihplc.com.

	Information incorporated by reference in this Registration Document	Page number in Annual Report		
		Financial year ended 31 December 2017	Financial year ended 31 December 2018	Financial year ended 31 December 2019
ISSUER	Statements of Comprehensive Income	13	13	13
	Statements of Financial Position	14	14	14
	Statements of Cash Flows	16	16	16
	Notes to the Financial Statements	17 to 52	17 to 54	17 to 54
	Independent Auditor's Report	53 to 57	55 to 60	55 to 60

The Issuer's unaudited interim financial information for the six-month period from 1 January 2020 to 30 June 2020 are set out in the unaudited interim financial statements of the Issuer issued on 25 August 2020. The unaudited interim financial statements are available for inspection as set out in section 15 below and are incorporated by reference. The Issuer's unaudited interim financial statements may be accessed on the Issuer's website www.mihplc.com.

There were no significant adverse changes to the financial or trading position of the Issuer since the end of the financial period to which its afore-mentioned last unaudited interim financial statements relate. Furthermore, the Issuer hereby confirms that there has been no material change or recent development which could adversely affect potential investors' assessments in respect of the Global Note, other than the information contained and disclosed in the Prospectus.

12. LITIGATION PROCEEDINGS

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

13. MATERIAL CONTRACTS

The Issuer and/or other Group entities have not entered into any material contracts which are not in the ordinary course of their respective business which could result in either the Issuer or any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its Global Note Obligations to security holders in respect of the securities being issued pursuant to, and described in, the Securities Note.

14. DISCLOSURES UNDER MARKET ABUSE REGULATION

In July 2020, persons discharging managerial responsibilities acquired, in aggregate, €126,200 (nominal value) of 5.5% MIH unsecured bonds 2023 (ISIN: MT0000371295). Furthermore, in September 2020, the company secretary acquired €10,000 (nominal value) of 6% MIH unsecured bonds 2021 (ISIN: MT0000371621) and €8,400 (nominal value) of 5% MIH unsecured bonds 2022 (ISIN: MT0000371287).

Save for the above, no information has been disclosed by the Issuer over the last 12 months which is relevant as at the date of the Prospectus under Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

15. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or certified copies thereof, where applicable, are available for inspection at the registered office of the Issuer at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta during the term of the Global Note during office hours:

- i. the Memorandum and Articles of Association of the Issuer;
- ii. the audited consolidated financial statements of the Issuer for the years ended 31 December 2017, 2018 and 2019; and
- iii. the unaudited interim financial statements of the Issuer for the six-month period ended 30 June 2020.

The documents listed above are also available for inspection in electronic form on the Issuer's website www.mihplc.com.

ISSUER

MEDITERRANEAN INVESTMENTS HOLDING P.L.C.
22, EUROPA CENTRE, JOHN LOPEZ STREET,
FLORIANA FRN 1400, MALTA

AUDITORS

GRANT THORNTON
FORT BUSINESS CENTRE,
TRIQL-INTORNJATUR, ZONE 1,
CENTRAL BUSINESS DISTRICT,
BIRKIRKARA CBD 1050, MALTA

NOMINEE AND
PLACEMENT AGENT

MZ INVESTMENT SERVICES LTD.
61, MZ HOUSE, ST RITA STREET,
RABAT RBT 1523, MALTA



SECURITIES NOTE

Dated 18 September 2020

This document is a Securities Note issued in accordance with the provisions of Article 90 of the Companies Act (Cap. 386 of the laws of Malta) and 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 €11,000,000 6% Unsecured Notes 2023 – 2025
of a nominal value of €1,000 per Note issued at par by



MEDITERRANEAN INVESTMENTS HOLDING PLC

a public limited liability company registered in Malta with company registration number C 37513

THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, ONLY APPROVES THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE QUALITY OF THE SECURITIES THAT ARE THE SUBJECT OF THIS SECURITIES NOTE.

THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH REGISTRAR OF COMPANIES, 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.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. 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 INDEPENDENT FINANCIAL ADVISER.

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be 'JF'.

Joseph Fenech

A handwritten signature in black ink, appearing to be 'JF'.

Joseph Fenech for and on behalf of:
Alfred Pisani, Joseph Pisani, Faisal J.S. Alessa, Mario P Galea,
Ahmed B A A Wahedi and Ahmed Yousri Noureldin Helmi

NOMINEE AND PLACEMENT AGENT



M Z I N V E S T M E N T S E R V I C E S



TABLE OF CONTENTS

IMPORTANT INFORMATION	01
1 DEFINITIONS	04
2 RISK FACTORS	06
2.1 Forward-looking Statements	06
2.2 General	06
2.3 Risks relating to the Global Note and Participation Notes	07
3 PERSONS RESPONSIBLE	08
4 CONSENT FOR USE OF THE PROSPECTUS AND AUTHORISATION STATEMENT	08
4.1 Consent required in Connection with Use of the Prospectus by the Nominee and Placement Agent	08
4.2 Statement of Authorisation	09
5 KEY INFORMATION	09
5.1 Reasons for the Issue and Use of Proceeds	09
5.2 Estimated Expenses	09
5.3 Issue Statistics	09
5.4 Interest of Natural and Legal Persons involved in the Issue	11
5.5 Expected Timetable of Principal Events	11
6 INFORMATION CONCERNING THE GLOBAL NOTE AND PARTICIPATION NOTES	11
6.1 General	11
6.2 Description of the Offer	12
6.3 Subscriptions by Maturing Noteholders by surrendering their Maturing Notes	12
6.4 Placement	13
6.5 Plan of Distribution and Allotment	13
6.6 Status and Ranking of the Global Note	14
6.7 Rights of Participation Noteholders	14
6.8 Participation Notes	14
6.9 The Nominee and Placement Agent	14
6.10 Interest	15
6.11 Yield	15
6.12 Redemption and Purchase	15
7 TAXATION	16
7.1 General	16
7.2 Malta Tax on Interest	16
7.3 Exchange of Information	17
7.4 Maltese Taxation on Capital Gains on Transfer of the Participation Notes	17
7.5 Duty on Documents and Transfers	17
ANNEX A1 – TERMS AND CONDITIONS OF THE GLOBAL NOTE	18
ANNEX A2 – TERMS AND CONDITIONS OF THE PARTICIPATION NOTES	24

IMPORTANT INFORMATION

THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES, ONLY APPROVES THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE 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 SECURITIES.

THIS SECURITIES NOTE CONSTITUTES PART OF THE PROSPECTUS DATED 18 SEPTEMBER 2020 AND CONTAINS INFORMATION ABOUT MEDITERRANEAN INVESTMENTS HOLDING PLC IN ITS CAPACITY AS ISSUER AND THE GLOBAL NOTE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT AND THE PROSPECTUS REGULATION, AND SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT ISSUED BY THE ISSUER.

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.

THE INFORMATION CONTAINED HEREIN IS BEING MADE AVAILABLE IN CONNECTION WITH AN ISSUE BY THE COMPANY OF €11 MILLION UNSECURED NOTES 2023 - 2025 OF A NOMINAL VALUE OF €1,000 EACH. THE NOTES SHALL BE ISSUED AT PAR AND BEAR INTEREST AT THE RATE OF 6% PER ANNUM PAYABLE ANNUALLY IN ARREARS ON 3 OCTOBER OF EACH YEAR, WITH THE FIRST INTEREST PAYMENT FALLING DUE ON 3 OCTOBER 2021. THE NOMINAL VALUE OF THE NOTES WILL BE REPAYABLE IN FULL AT MATURITY ON 3 OCTOBER 2025, BUT MAY BE REDEEMED EARLIER BY THE COMPANY ON 3 OCTOBER 2023 AND, OR 3 OCTOBER 2024 IN WHOLE OR IN PART AT NOMINAL VALUE BY GIVING NOT LESS THAN 30 DAYS' PRIOR NOTICE TO THE NOMINEE AND PLACEMENT AGENT.

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 PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION: (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (III) 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 NOTES MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER OR THE GUARANTOR 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.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE



AWARE OF THE POTENTIAL RISKS OF 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 INDEPENDENT PROFESSIONAL ADVISERS AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE NOTES AND THE PROSPECTUS.

THE NOTES SHALL NOT BE ADMITTED TO LISTING ON ANY REGULATED MARKET.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THE PROSPECTUS AND ANY PERSONS 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 SO APPLYING FOR ANY SUCH SECURITIES AND OF ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE PUBLIC 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 THIS 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.

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) THE NOTES CAN ONLY BE OFFERED TO “QUALIFIED INVESTORS” (AS DEFINED IN THE PROSPECTUS REGULATION), AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS REGULATION.

THE NOTES HAVE 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 THE PROSPECTUS HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE COMPANIES ACT.

IN TERMS OF ARTICLE 12(1) OF THE PROSPECTUS REGULATION, THE PROSPECTUS SHALL REMAIN VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE OF THE APPROVAL OF THE PROSPECTUS BY THE MALTA FINANCIAL SERVICES AUTHORITY ESTABLISHED BY THE MALTA FINANCIAL SERVICES AUTHORITY ACT, ACTING THROUGH THE REGISTRAR OF COMPANIES. THE ISSUER IS OBLIGED TO PUBLISH A SUPPLEMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKE OR MATERIAL INACCURACY RELATING TO THE INFORMATION SET OUT IN THE PROSPECTUS WHICH MAY AFFECT THE ASSESSMENT OF THE SECURITIES AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE PROSPECTUS IS APPROVED AND THE CLOSING OF THE ISSUE PERIOD. THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE PROSPECTUS IS NO LONGER VALID.

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

A SUBSCRIPTION AGREEMENT IS PROVIDED WITH THIS DOCUMENT. THE GLOBAL NOTE AND THE PARTICIPATION NOTES ARE ISSUED AS SUBJECT TO THE TERMS AND CONDITIONS AS SET OUT IN THIS SECURITIES NOTE, AND THE RELEVANT SCHEDULES OF THE NOMINEE AND PLACEMENT AGENT 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 NOMINEE AND PLACEMENT AGENT 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 OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, 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 NOTES.

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.

ALL THE ADVISERS TO THE ISSUER NAMED IN SUB-SECTION 4.3 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. THE NOMINAL VALUE OF THE NOTES WILL BE REPAYABLE IN FULL UPON MATURITY. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE NOTES.



1. DEFINITIONS

Words and expressions and capitalised 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 capitalised 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”	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of a Subscription Agreement;
“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;
“Cut-off Date”	close of business on 18 September 2020;
“Early Redemption Dates”	any Interest Payment Date falling in the years 2023 and 2024, at the sole option of the Issuer, on which the Issuer shall be entitled to prepay all or part of the principal amount of the Global Note and all interests accrued up to the date of prepayment, by giving not less than 30 days’ notice to the Nominee and Placement Agent and “Early Redemption” shall be construed accordingly;
“Fiduciary Asset”	the rights attaching to and emanating from the Global Note and the Nominee and Placement Agent Agreement including the right of payment of principal and interest under the Global Note;
“Interest Payment Date”	3 October of each year between and including each of the years 2021 and the year 2025, 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”	the issue of the Global Note;
“Issue Date”	expected on 5 October 2020;
“Issue Period”	the period between 08:30 hours CET on 28 September 2020 and 14:00 hours CET on 1 October 2020 during which the Notes are available for subscription;
“Issue Price”	the price of €1,000 per Participation Note;
“Maturing Note Transfer”	the subscription for Participation Notes by a Maturing Noteholder settled, after submitting the Subscription Agreement, by the transfer to the Issuer of all or part of the Maturing Notes held by such Maturing Noteholder as at the Cut-off Date;
“Maturing Noteholder”	a holder of Maturing Notes as at the Cut-off Date;
“MiFIR”	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
“Nominee and Placement Agent Agreement”	the agreement entered into by and between the Issuer and the Nominee and Placement Agent dated 18 September 2020;
“Redemption Date”	3 October 2025;
“Redemption Value”	the nominal value of each Note (€1,000 per Note);
“Register of Global Noteholders”	the register maintained by the Issuer identifying the holder of the Global Note;

“Registered Investor”	a person participating in the Global Note and whose interest and benefit therein is recognised by the Nominee and Placement Agent by means of an entry in the Register of Investors;
“Subscription Agreement”	the agreement to subscribe for the Participation Notes;
“Subscription Date”	means the date on which Participation Notes representing the Global Note are subscribed for and issued in accordance with the Prospectus;
“Subscription Funds”	means an amount equivalent to the Global Note raised by the Nominee and Placement Agent by virtue of the subscription of Participation Notes;
“Subscription Period”	means the period between 08.30 hours CET on 28 September 2020 and 14.00 hours CET on 1 October 2020, during which the Participation Notes representing the Global Note are to be issued, PROVIDED THAT the Subscription Period may be extended by the Nominee and Placement Agent by giving written notice thereof to the Issuer by not later than seven (7) days from 18 September 2020; and
“Terms and Conditions”	the terms and conditions applicable to the Participation Notes set out in Annex A2.

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

Unless it appears otherwise from the context:

- (a) words importing the singular shall include the plural and *vice-versa*;
- (b) words importing the masculine gender shall include the feminine gender and *vice-versa*;
- (c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
- (d) any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- (e) any reference to a person includes that person’s legal personal representatives, successors and assigns;
- (f) 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;
- (g) 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.

THE NOMINAL VALUE OF THE NOTES IS REPAYABLE IN FULL UPON MATURITY, UNLESS THE NOTES ARE PREVIOUSLY RE-PURCHASED AND CANCELLED. THE ISSUER SHALL REDEEM THE NOTES ON THE REDEMPTION DATE.

AN INVESTMENT IN THE NOTES INVOLVES CERTAIN RISKS, INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN 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. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS INTENDED TO BE INDICATIVE OF THE ORDER OF PRIORITY AND OF THE EXTENT OF THEIR CONSEQUENCES, AND PROSPECTIVE INVESTORS ARE HEREBY CAUTIONED THAT THE OCCURRENCE OF ANY ONE OR MORE OF THE RISKS SET OUT BELOW COULD HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION AND COULD, THEREBY, NEGATIVELY AFFECT THE ABILITY OF THE ISSUER TO MEET ITS OBLIGATIONS IN CONNECTION WITH THE PAYMENT OF INTEREST ON THE NOTES AND REPAYMENT OF PRINCIPAL WHEN DUE.

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, NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE NOMINEE AND PLACEMENT AGENT 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 ISSUED BY THE ISSUER.

ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT 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.

2.2 General

An investment in the Issuer and the Global Note may not be suitable for all recipients of the Prospectus and prospective investors are urged to consult an independent investment adviser licensed under the Investment Services Act (Chapter 370 of the laws of Malta) as to the suitability or otherwise of an investment in the Global Note before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Global Note, the merits and risks of investing in the Global Note and the information contained or incorporated by reference to the Prospectus or any applicable supplement;
- (ii) has sufficient financial resources and liquidity to bear all the risks of an investment in the Global Note, including where the currency for principal or interest payments is different from the prospective investor's currency;
- (iii) understands thoroughly the terms of the Global Note and Participation Note;

- (iv) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect his/her/its investment and his/her/its ability to bear the applicable risks; and
- (v) is able to assess as to whether an investment in the Global Note shall achieve his/her/its investment objective.

2.3 Risks relating to the Global Note and Participation Notes

An investment in the Global Note and Participation Notes involves certain risks including, but not limited to, those described below:

- The Global Note and 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 Global Note and the Participation Notes depends on factors beyond the Issuer's control which could impact the trading value of the Global Note and the Participation Notes, such as the willingness or otherwise of potential buyers and sellers of the Global Note and the Participation Notes. The trading value of the Global Note and the Participation Notes may also be impacted by other factors, such as the time remaining for maturity of the Global Note and the Participation Notes, the outstanding amount of the Global Note and the Participation Notes and the level, direction and volatility of market interest rates generally.
- 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 Noteholder decides to sell the Participation Notes before maturity.
- A Noteholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Participation Notes (€) and the Noteholder's currency of reference, if different. Any adverse fluctuations may impair the return of investment of the Noteholder in real terms after taking into account the relevant exchange rate.
- 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. Furthermore, subject to the negative pledge clause set out in 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, 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.
- The Global Note and Participation Notes are redeemable in whole or in part at the option of the Issuer prior to the Redemption Date on any Early Redemption Date upon giving 30 days' notice to the Nominee and Placement Agent. Noteholders will have no right to request the redemption of the Participation Notes and should not invest in the Participation Notes in the expectation that the Issuer would exercise its option to redeem the Participation 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 and Placement Agent to call a meeting of Participation Noteholders in accordance with the provisions of 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.
- The Global Note and the Terms and Conditions are based on the requirements of the Companies Act and the Prospectus Regulation in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus.



3. PERSONS RESPONSIBLE

This Securities Note has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. It includes information given in compliance with the Companies Act for the purpose of providing prospective investors with information with regard to the Issuer, and the Global Note. All of the Directors of the Issuer whose names appear in sub-section 4.1 of the Registration Document accept responsibility for all 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 of the Issuer hereby accept responsibility accordingly.

4. CONSENT FOR USE OF THE PROSPECTUS AND AUTHORISATION STATEMENT

4.1 Consent required in Connection with 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 (*vide* section 5.5 below) and/or subsequent resale of the Participation Notes taking place within the period of 60 days from the date of the 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.

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 drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. It has been approved by the Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies, as the competent authority under the Prospectus Regulation. The Malta Financial Services Authority established by the Malta Financial Services Authority Act, acting through the Registrar of Companies, 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 securities.

5. KEY INFORMATION

5.1 Reasons for the Issue and Use of Proceeds

The proceeds from the Issue are expected to amount to €11,000,000, and will be used by the Issuer for the redemption of the outstanding amount of the Maturing Notes remaining in issue as at 3 October 2020, being the date of redemption of the Maturing Notes. As at the date of the Prospectus the aggregate value of Maturing Notes in issue stands at €11,000,000.

In the event that the Issue is not fully subscribed, the Issuer will proceed with issuing the amount of Notes so subscribed and the proceeds from the Issue shall be applied for the purpose set out above. The residual amount required by the Issuer for the purpose of the use specified in this sub-section 5.1 which shall not have been raised through the Issue shall be financed from the Issuer's own funds.

5.2 Estimated Expenses

The Issue will involve expenses, including professional fees, management and placing expenses, as well as other miscellaneous costs incurred in connection with the Issue. Such expenses, which shall be borne by the Issuer, are estimated not to exceed €50,000. The amount of the expenses will not be deducted from the proceeds of the Issue, but will be settled separately by the Issuer. There is no particular order of priority with respect to such expenses.

5.3 Issue Statistics

Amount:	€11,000,000;
Subscription Agreements available to Maturing Noteholders:	28 September 2020;
Issue Price:	at par (€1,000 per Participation Note);
Closing date for Subscription Agreements to be received from Maturing Noteholders:	30 September 2020 at 14:00 hours CET;
Denomination:	Euro (€);
Events of Default:	the events listed in sub-section 10 of Annex A1 of this Securities Note;
Form:	the Global Note will be issued in fully certificated and registered form, without a coupon;
Governing law and jurisdiction:	the Prospectus and the Global Note are governed by and shall be construed in accordance with Maltese law. The Maltese Courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Prospectus and/or the Global Note;



Interest:	the Notes shall bear interest from and including 3 October 2020 at the rate of six per cent (6%) per annum payable annually in arrears on the Interest Payment Dates;
Interest Payment Date:	annually on the 3 October of each year between and including each of the years 2021 and 2025, 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;
Issue:	the issue of a maximum of €11,000,000 unsecured Notes due in 2025 denominated in Euro having a nominal value of €1,000 each, which will be issued by the Issuer at par and shall bear interest at the rate of 6% per annum, redeemable on 3 October 2025, subject to the Issuer's option to redeem all or part of the Global Note on an Early Redemption Date;
Issue Period:	the period between 08:30 hours CET on 28 September 2020 and 14:00 hours CET on 1 October 2020 during which the Participation Notes are available for subscription;
Listing:	no application has been made, nor is it intended that an application be made, for the Global Note and Participation Notes to be admitted on a regulated market or other trading platform;
Minimum amount per Application:	fifty thousand Euro (€50,000) and multiples of one thousand Euro (€1,000) thereafter per Participation Noteholder;
Plan of distribution:	the Participation Notes are open for subscription by Maturing Noteholders and through the Nominee and Placement Agent in respect of any balance of the Participation Notes not subscribed to by Maturing Noteholders;
Preferred allocations:	<p>(i) Maturing Noteholders applying for Participation Notes may elect to settle all or part of the amount due on the Participation Notes applied for by the transfer to the Issuer of Maturing Notes at par value, subject to a minimum subscription of €50,000 in Participation Notes.</p> <p>Maturing Noteholders electing to subscribe for Participation Notes through the transfer to the Issuer of all or part of the Maturing Notes held by them as at the Cut-off Date ("Maturing Note Transfer") shall be allocated Participation Notes for the corresponding nominal value of Maturing Notes transferred to the Issuer. The transfer of Maturing Notes to the Issuer in consideration for the subscription for Participation Notes shall cause the obligations of the Issuer with respect to such Maturing Notes to be extinguished, and shall give rise to obligations on the part of the Issuer under the Participation Notes.</p> <p>Participation Notes applied for by Maturing Noteholders by way of Maturing Note Transfer as described above shall be allocated prior to any other allocation of Participation Notes.</p> <p>(ii) the balance of the Participation Notes not subscribed for by Maturing Noteholders limitedly by means of a Maturing Note Transfer, if any, shall be placed by the Nominee and Placement Agent;</p>
Early Redemption Dates:	any Interest Payment Date falling in the years 2023 and 2024, at the sole option of the Issuer, on which the Issuer shall be entitled to prepay all or part of the principal amount of the Global Note and all interests accrued up to the date of prepayment, by giving not less than 30 days' notice to the Nominee and Placement Agent;
Redemption Date:	3 October 2025;
Redemption Value:	at par (€1,000 per Note);

Status 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. The Global Note 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, save for such exceptions as may be provided by applicable law;

Underwriting: the Global Note and Participation Notes are not underwritten.

5.4 Interest of Natural and Legal Persons involved in the Issue

Save for the possible subscription for Notes by the Nominee and Placement Agent and any fees payable to the Nominee and Placement Agent in connection with the Issue, so far as the Issuer is aware no person involved in the Issue has an interest material to the Issue.

5.5 Expected Timetable of Principal Events

1	Subscription Agreements available to Maturing Noteholders	28 September 2020
2	Closing date for Subscription Agreements to be received from Maturing Noteholders	30 September 2020 (by 14:00 CET)
3	Closing date for the placement by the Nominee and Placement Agent of any Participation Notes not subscribed for by Maturing Noteholders	1 October 2020 (by 14:00 CET)
4	Commencement of interest	3 October 2020
5	Announcement of basis of acceptance through a company announcement	5 October 2020
5	Refunds of unallocated monies, if any	5 October 2020
7	Issuance of Participation Notes certificates	5 October 2020
8	Issue date of the Global Note	5 October 2020

6. INFORMATION CONCERNING THE GLOBAL NOTE AND PARTICIPATION NOTES

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

The Issuer is making an offer to the public for participation in the Global Note through the issuance of Participation Notes.

The Global Note represents a principal amount of €11,000,000 (eleven 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, subject to the Issuer's option to redeem all or part of the Global Note on an Early Redemption Date.

The currency of the Global Note is Euro (€).

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.

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 Nominee and Placement Agent 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

The Offer by the Issuer consists of the issue of €11,000,000 (eleven million euro) 6% (six per cent) Global Note 2023 - 2025, 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.

The Participation Notes relating to the Global Note shall be available for subscription during the Subscription Period. Such subscription shall be for an amount of €11,000,000 and the Issuer shall make use of such proceeds in the manner set out in sub-section 5.1 above.

The Subscription 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.

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.

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 5 October 2020. 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.

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 6.7 below).

The minimum subscription amount of Participation Notes that can be subscribed for by Applicants is €50,000, and in multiples of €1,000 thereafter.

Any balance of the Participation Notes not subscribed to by Maturing Noteholders shall be placed by the Nominee and Placement Agent.

The issue of the Global Note is made in accordance with the requirements of the Act and the Prospectus Regulation.

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.

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 Subscriptions by Maturing Noteholders by surrendering their Maturing Notes

6.3.1 The consideration payable by Maturing Noteholders applying for Participation Notes may be settled by the transfer to the Issuer of all or part of the Maturing Notes held by such Applicant as at the Cut-off Date, subject to a minimum subscription of €50,000, which transfer shall be effected at the par value of the Maturing Notes.

Maturing Noteholders electing to subscribe for Participation Notes through Maturing Note Transfer shall be allocated Participation Notes for the corresponding nominal value of Maturing Notes transferred to the Issuer. The transfer of Maturing Notes to the Issuer in consideration for the subscription for Participation Notes shall cause the obligations of the Issuer with respect to such Maturing Notes to be extinguished, and shall give rise to obligations on the part of the Issuer under the Participation Notes.

Participation Notes applied for by Maturing Noteholders by way of Maturing Note Transfer shall be allocated prior to any other allocation of Participation Notes.

A Maturing Note Transfer shall be without prejudice to the rights of Maturing Noteholders to receive interest on the Maturing Note up to but excluding 3 October 2020. The Maturing Notes shall be redeemed on 3 October 2020.

All Applications for the subscription of Participation Notes by Maturing Noteholders by means of Maturing Note Transfer must be submitted to the Nominee and Placement Agent by 14:00 hours CET of 30 September 2020.

6.3.2 Maturing Noteholders subscribing for Participation Notes by means of Maturing Note Transfer are, in virtue of such subscription, confirming:

- i. that all or part (as the case may be) of the Maturing Notes held by the Applicant on the Cut-off Date are being transferred to the Issuer;
- ii. that the Subscription Agreement constitutes the Applicant's irrevocable mandate to the Issuer to:
 - a. cause the transfer of the said Maturing Notes in the Issuer's name in consideration of the issue of Participation Notes; and
 - b. engage, at the Issuer's cost, the services of the Nominee and Placement Agent to fully and effectively vest title in the said Maturing Notes in the Issuer and fully and effectively vest title in the appropriate number of Participation Notes in the Applicant;

6.3.3 Where the Applicant is the holder of Maturing Notes which as at the Cut-off Date are held subject to usufruct, the signatures of both the bare owner and the usufructuary will be required in the Subscription Agreement.

6.3.4 Holders of Maturing Notes as at the Cut-off Date who do not elect to avail themselves of the possibility to exchange their investment in terms of the procedure outlined in this sub-section 6.3 shall receive all capital and accrued interest (up to but excluding 3 October 2020) to date on 3 October 2020.

6.4 Placement

Any balance of the Participation Notes not subscribed to by Maturing Noteholders shall be placed by the Nominee and Placement Agent. Any subscriptions received during the placement shall be subject to the same terms and conditions as those applicable to subscriptions by Maturing Noteholders, but limited to any remaining balance of Participation Notes after fully allocating the Participation Notes subscribed to by Maturing Noteholders.

6.5 Plan of Distribution and Allotment

Applications for subscription to the Participation Notes may be made through the Nominee and Placement Agent. The Participation Notes are open for subscription by:

- i. Maturing Noteholders up to the amount of Maturing Notes held as at the Cut-off Date;
- ii. The Nominee and Placement Agent in respect of any balance of the Participation Notes not subscribed to by Maturing Noteholders, as aforesaid.

Applications for subscriptions to the Participation Notes may be made through the Nominee and Placement Agent subject to a minimum Application of €50,000 and in multiples of €1,000 thereafter.

It is expected that Participation Notes certificates will be dispatched to Applicants by latest 5 October 2020. The said certificate and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance or surrender of the Maturing Notes, as the case may be, 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 5 October 2020, the Issuer shall announce the results of the Offer through a company announcement.

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

6.6 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.

6.7 Rights of 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 Nominee and Placement Agent 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 Nominee and Placement Agent 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 Nominee and Placement Agent Agreement.

6.8 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.

6.9 The Nominee and Placement Agent

The Issuer, as principal, has entered into the Nominee and Placement Agent Agreement pursuant to which MZ 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 Nominee and Placement Agent 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 Nominee and Placement Agent 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 Nominee and Placement Agent 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 Nominee and Placement Agent 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 MZ Investment Services 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.

6.10 Interest

6.10.1 The Global Note shall bear interest from and including 3 October 2020 at the rate of 6% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be affected on 3 October 2021 (covering the period 3 October 2020 up to and including 2 October 2021). 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. Each Note will cease to bear interest from and including its due date for redemption, unless payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment, in any of which events 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 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.

6.10.2 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.

6.11 Yield

The gross yield calculated on the basis of the Interest, the Issue Price and the Redemption Value of the Global Note at Redemption Date is 6% per annum.

6.12 Redemption and Purchase

6.12.1 Unless previously purchased and cancelled, the Issuer hereby irrevocably covenants in favour of each Noteholder that the Global Note and Participation Notes will be redeemed at their nominal value (together with accrued interest up to (but excluding) the date fixed for redemption) on 3 October 2025 in accordance with the terms and conditions of issue (see *Annex A1 for the full terms and conditions*), PROVIDED THAT the Issuer reserves the right to redeem all or part of the Global Note and Participation Notes on any Interest Payment Date falling in the years 2023 and 2024, on giving not less than 30 days' notice to the Nominee and Placement Agent, PROVIDED FURTHER THAT any partial redemption of the Global Note and Participation Notes shall be made in multiples of €50,000. In such a case the Issuer shall be discharged of any and all payment obligations under the Global Note upon payment made net of any withholding or other taxes due or which may be due under Maltese law and which is payable by the Noteholders.

6.12.2 Subject to the provisions of this sub-section 6.12, 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.

6.12.3 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 Nominee and Placement Agent 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 any income/gains derived therefrom or made on their disposal. The following is a summary of the anticipated tax treatment applicable to the Participation Notes and 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 Note which is the subject of a public issue, unless the Issuer is otherwise instructed by a Participation Noteholder to receive the interest gross from any withholding tax or if the Participation Noteholder does not fall within the definition of “recipient” in terms of article 41(c) of the Income Tax Act (Chapter 123 of the laws of Malta), interest shall be paid to such person net of a final withholding tax, currently at the rate of 15% (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. Participation Noteholders who do not fall within the definition of a “recipient” do not qualify for the said rate and should seek professional advice on the taxation of such income as special rules may apply.

This withholding tax is considered as a final tax and a Maltese resident individual Participation Noteholder is not obliged to declare the interest so received in his 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 and the tax deducted shall not be available as a credit against the recipient’s tax liability or available as a refund, as the case may be.

The Issuer will render an account to the Maltese Commissioner for Revenue of all amounts of interest paid and tax so deducted, including the identity of the recipient.

In the case of a valid election made in writing by an eligible Participation 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 Maltese income tax return and be subject to tax on such interest at the standard rates applicable to that person at that time. Additionally, the Issuer will also advise the Malta 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 Participation 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) of the Income Tax Act, Participation Noteholders who are not resident in Malta satisfying the applicable conditions set out in the Income Tax Act, including but not limited to the condition that the Participation Noteholder is not owned and controlled by, whether directly or indirectly, nor acts on behalf of an individual/s who are ordinarily resident and domiciled in Malta, are not taxable in Malta on the interest received and 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 are required to collect and forward certain information (including, but not limited to, information regarding payments made to certain Participation 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 this does not constitute tax advice and Applicants are to consult their own independent tax advisors in case of doubt.

7.4 Maltese Taxation on Capital Gains on Transfer of the Participation Notes

As the Notes do 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”, to the extent that the Participation Notes are held as capital assets by the Participation Noteholder, no tax on capital gains is chargeable in respect of transfer of the Participation Notes.

7.5 Duty on Documents and Transfers

No Maltese duty on documents and transfers should be chargeable on the issue of the Participation Notes.

After the issue, future transfers of the Participation Notes may be dutiable at the applicable rate or rates according to the provisions of Maltese law, specifically the Duty on Documents and Transfers Act, unless appropriate exemptions apply.



ANNEX A1 – TERMS AND CONDITIONS OF THE GLOBAL NOTE

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €11,000,000 6% GLOBAL NOTE, REDEEMABLE ON 3 OCTOBER 2025 (SUBJECT TO THE ISSUER'S OPTION TO REDEEM ALL OR PART OF THE GLOBAL NOTE ON AN EARLY REDEMPTION DATE) BY MEDITERRANEAN INVESTMENTS HOLDING PLC (THE "ISSUER" OR THE "COMPANY") IN TERMS OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT AND THE PROSPECTUS.

THE ISSUE OF THE GLOBAL NOTE IS BEING MADE SUBJECT TO THE PROVISIONS OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT DATED 18 SEPTEMBER 2020 (HEREINAFTER REFERRED TO AS THE "NOMINEE AND PLACEMENT AGENT 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 NOMINEE AND PLACEMENT AGENT 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 NOMINEE AND PLACEMENT AGENT 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 25 August 2020 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. The Issuer reserves the right to redeem part or all of the Global Note on an Early Redemption Date by announcing at least 30 days prior to such Early Redemption Date. Early Redemptions may be made by the Issuer in multiples of €50,000 together with any interest accrued up to the date fixed for redemption.

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 3 October 2020 at the rate of 6% 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 effected on 3 October 2021 (covering the period 3 October 2020 to 2 October 2021). 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% 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. Partial redemptions are allowed on any Interest Payment Date falling in the years 2023 and 2024 as long as they are made in multiples of €50,000.
- (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 redeemed shall be cancelled forthwith and may not be re-issued or re-sold.

7. COVENANTS BY THE COMPANY

The Company 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 6% *per annum* on each Interest Payment Date and the principal amount of the Global Note on the Redemption Date;
- (b) The Issuer 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) The Issuer shall carry on and conduct its business in a proper and efficient manner.

8. REPRESENTATIONS 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 Nominee and Placement Agent 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 Nominee and Placement Agent Agreement;
 - (c) This document and the Nominee and Placement Agent 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 Nominee and Placement Agent 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 Nominee and Placement Agent Agreement or the performance of its obligations under the Nominee and Placement Agent 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 Nominee and Placement Agent 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 Nominee and Placement Agent Agreement, the Nominee and Placement Agent shall have the following powers:
 - (a) To employ and pay at the reasonable cost of the Company in discharge of its duties any agent to do anything or transact any business to be done or transacted under the Nominee and Placement Agent 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 Company 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 Nominee and Placement Agent 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 Nominee and Placement Agent 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 Nominee and Placement Agent 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, having announced the redemption of the Global Note whether in whole or in part, defaults for sixty (60) days in the payment of any principal monies owing in respect of such early redemption; 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 three million Euro (€3,000,000) 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

TERMS AND CONDITIONS OF THE PARTICIPATION NOTES IN TERMS OF THE PROSPECTUS

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €11,000,000 6% PARTICIPATION NOTES, IN TERMS OF THE PROSPECTUS REDEEMABLE ON 3 OCTOBER 2025 (OR EARLIER ON AN EARLY REDEMPTION DATE) BY THE NOMINEE AND PLACEMENT AGENT.

THE ISSUE OF THE PARTICIPATION NOTES IS BEING MADE SUBJECT TO THE PROVISIONS OF THE NOMINEE AND PLACEMENT AGENT AGREEMENT DATED 18 SEPTEMBER 2020 (HEREINAFTER REFERRED TO AS THE “NOMINEE AND PLACEMENT AGENT 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 NOMINEE AND PLACEMENT AGENT 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 NOMINEE AND PLACEMENT AGENT 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 6% (six 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. Upon an early redemption of the Global Note, the Participation Notes of all Participation Noteholders shall be redeemed in whole or in part according and up to the amount received by the Nominee and Placement Agent from the redemption of the Global Note.
- (d) The Participation Notes are freely transferable, provided that any individual holder of Participation Notes shall maintain at all times a minimum holding of €50,000 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 fifty thousand euro (€50,000) and in multiples of one thousand euro (€1,000) each thereafter.
- (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 3 October 2020 at the rate of 6% 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 3 October 2021 (covering the period 3 October 2020 to 2 October 2021). 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 redeemed 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 €50,000 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 redeems the Global Note in whole or in part, the Nominee and Placement Agent shall redeem 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) Upon an early redemption, 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 redemption 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 COMPANY

The Company 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 6% 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) The Issuer 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) The Issuer 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 Nominee and Placement Agent Agreement or the performance of its obligations under the Nominee and Placement Agent 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 Nominee and Placement Agent 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 seventy-five 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, having announced the redemption of the Global Note whether in whole or in part, defaults for sixty (60) days in the payment of any principal monies owing in respect of such early redemption; 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 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 three million Euro (€3,000,000) 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 €50,000 (fifty 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 Nominee and Placement Agent 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 Nominee and Placement Agent 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 and date set for the meeting and the matters to be discussed thereat, including sufficient information on any amendment of the Prospectus or the Nominee and Placement Agent 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 Nominee and Placement Agent 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 Nominee and Placement Agent Agreement and the procedure set out below.
- (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.
- (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.

ISSUER

MEDITERRANEAN INVESTMENTS HOLDING P.L.C.
22, EUROPA CENTRE, JOHN LOPEZ STREET,
FLORIANA FRN 1400, MALTA

AUDITORS

GRANT THORNTON
FORT BUSINESS CENTRE,
TRIQL-INTORNJATUR, ZONE 1,
CENTRAL BUSINESS DISTRICT,
BIRKIRKARA CBD 1050, MALTA

NOMINEE AND
PLACEMENT AGENT

MZ INVESTMENT SERVICES LTD.
61, MZ HOUSE, ST RITA STREET,
RABAT RBT 1523, MALTA

