SUMMARY

Dated 14 February 2025

This Summary is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules published by the MFSA and of the Prospectus Regulation.

In respect of an issue of €7 million 5.35% unsecured Bonds 2032

of a nominal value of €100 per Bond issued at par by

BEST DEAL PROPERTIES HOLDING P.L.C.

a public limited liability company registered in Malta
with company registration number C 88974

ISIN: MT0002121235

Legal Counsel

ZammitPace

Sponsor, Manager & Registrar

MZ INVESTMENTS

THIS SUMMARY HAS BEEN APPROVED BY THE MFSA AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MFSA 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/OR 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

Christopher Attard | **Pierre Bartolo**

signing in their own capacity as directors of the Company and for and on behalf of each of Robert Buttigieg, David Basile, Erskine Vella, James Bullock, Mario P Galea and Marlene Seychell

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 enables investors to understand the nature and the risks associated with the Issuer and the Bonds.

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.

1. INTRODUCTION AND WARNINGS

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

Issuer	Best Deal Properties Holding p.l.c., a public limited liability company registered under the laws of Malta bearing company registration number C88974 and having legal identifier number (LEI) 485100A1WBOSGJKWHT04;
Address	63, J.L. Buildings, Office 5, Luqa Road, Paola PLA 9045, Malta;
Telephone number	21692279;
Website	www.bestdealholdings.com;
Competent authority approving the Prospectus	The MFSA, established in terms of the Financial Markets Act (Cap. 345 of the laws of Malta);
Address, telephone number and official website of the competent authority approving the Prospectus	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta. The telephone number of the competent authority is 2144 1155. The official website of the competent authority is https://www.mfsa.mt/;
Name of Securities	5.35% Bonds due 2032;
ISIN of the Bonds	MT0002121235;
Prospectus approval date	14 February 2025.

Prospective investors are hereby warned that:

(i) this Summary should be read as an introduction to the Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the Bonds being offered pursuant to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this document;

(ii) any decision of the investor to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor;

(iii) an investor may lose all or part of the capital invested in subscribing for Bonds;

(iv) the bonds are unsecured;

(v) 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

(vi) civil liability attaches only to those persons who have tabled the Summary, including any translation thereof, but only if the Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate, or inconsistent or does not provide key information in order to aid investors when considering whether to invest in the Bonds.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the Issuer of the Bonds?

2.1.1 Domicile and legal form, its LEI and country of incorporation

The Issuer is Best Deal Properties Holding p.l.c., a public limited liability company registered in Malta in terms of the Companies Act (Chapter 386 of the laws of Malta). The Issuer was incorporated and is domiciled in Malta, with legal entity identifier (LEI) number 485100A1WBOSGJKWHT04.

2.1.2 Principal activities of the Issuer

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

2.1.3 Major shareholders

The authorised share capital of the Issuer is three hundred fifty thousand Euro (€350,000) divided into three million five hundred thousand (3,500,000) ordinary shares of ten Euro cents (€0.10) each. The issued share capital of the Issuer is three hundred twelve thousand five hundred Euro (€312,500) divided into three million one hundred twenty-five thousand (3,125,000) ordinary shares of ten Euro cents (€0.10) each, fully paid up. The Company's issued share capital is subscribed equally by Christopher Attard, Erskine Vella, Pierre Bartolo, RCJ Investments Limited and C Developments Limited.

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 8 individuals: Christopher Attard (Executive Director); Pierre Bartolo (Executive Director); David Basile (Executive Director); Robert Buttigieg (Executive Director); Erskine Vella (Executive Director); James Bullock (Chairman and Non-Executive Director); Mario P. Galea (Independent, Non-Executive Director); and Maria Carmela k/a Marlene Seychell (Independent, Non-Executive Director).

2.1.5 Statutory auditors

The auditor of the Issuer as of the date of the Prospectus is RSM Malta of Mdina Road, Zebbug ZBG 9015, Malta (accountancy board registration number AB/26/84/53).

2.2 What is the key financial information regarding the Issuer?

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

Income Statement	FY2023	FY2022	FY2021	6-mth period ended 30 Jun'24	6-mth period ended 30 Jun'23
Operating profit (€'000)	1,998	3,338	3,795	880	1,147

Statement of Financial Position	31 Dec'23	31 Dec'22	31 Dec'21	30 June'24
Net financial debt (€'000)	16,996	16,049	11,544	24,977
Breakdown as follows:				
Borrowings (€'000)	1,200	1,221	1,860	2,005
Debt securities (€'000)	20,766	21,122	13,296	30,575
Sinking fund/financial assets (€'000)	(2,984)	(5,040)	(3,365)	(4,706)
Cash and cash equivalents (€'000)	(1,986)	(1,254)	(247)	(2,897)

Cash Flow Statement	FY2023	FY2022	FY2021	6-mth period ended 30 Jun'24	6-mth period ended 30 Jun'23
Cash flows from (used in) operating activities (€'000)	625	(3,881)	7,134	(6,082)	3,624
Cash flows from (used in) financing activities (€'000)	2,056	(1,680)	(2,490)	(519)	(3,655)
Cash flows from (used in) investing activities (€'000)	(1,949)	6,568	(4,835)	7,512	(367)

2.3 What are the key risks specific to the Issuer?

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

2.3.1 Risks relating to the Issuer's exposure to and dependence on the BDP Group and its business

The Issuer is the holding parent company of the BDP Group, which was set up primarily as a finance and investment company with one of its purposes being that of raising finance and advancing same to members of the Group. Accordingly, the operating results of the BDP Group have a direct effect on the Issuer's financial position and performance.

2.3.2 Risks relating to the rising costs for materials, resources, and utilities

The price of raw materials has been subject to substantial increases. Should the volatility in prices continue in an upward trajectory over the rest of the year as well as subsequent years, the BDP Group may be negatively affected if these increased costs are not capable of being reflected in increased charges for the delivery of certain products and services of the BDP Group.

2.3.3 Risks associated with the acquisition, development, and sale of property

There are several factors that commonly affect the real estate development industry, many of which are beyond the BDP Group's control, and which could adversely affect the economic performance of the BDP Group and the value of its real estate properties under development. Such factors include, *inter alia*, general industry trends; changes in local market conditions; shortages and, or price increases in raw materials, services, or other construction inputs; and insufficiency of resources to complete the projects.

2.3.4 Risks associated with the competitive nature of the property market

An increase in supply and, or a reduction in demand in the property segments in which the BDP Group operates and targets to sell the remaining units in stock and the properties being developed, may cause sales of units forming part of its properties under development to sell at prices which are lower than is being anticipated by the BDP Group or that sales of such units are in fact slower than is being anticipated.

2.3.5 Risks associated with property valuations and net realisable value

Property valuations are largely dependent on current and, or expected market conditions which are susceptible to fluctuation and therefore, there can be no assurance that such property valuations will reflect actual market values. Furthermore, the Group may purchase and, or have purchased property based on inaccurate valuations.

2.3.6 Risks associated with the engagement and, or the involvement of service providers and associated counterparty risks

The BDP Group relies upon third party or related service providers for the construction and completion of its property developments. This gives rise to counter-party risks in those instances where such third parties do not perform in line with the BDP Group's expectations and in accordance with their contractual obligations.

2.3.7 Risks relating to cost overruns and delays in completing the BDP Group's projects

The projects being undertaken by the BDP Group (including, *inter alia*, the Paola Development) are susceptible to certain risks inherent in real estate development, most notably the risk of completion within their scheduled completion date and within the budgeted cost. If either or both of these risks were to materialise, they could have a significant impact on the financial condition of the Issuer, its' ability to meet its obligations under the Bonds.

3. KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

The Bonds are being issued in the amount of €7,000,000 with a nominal value of €100 per Bond issued at the rate of 5.35% per annum and redeemable at par on 21 February 2032. The first interest payment shall be effected on 21 February 2026 (covering the period from 21 February 2025 to 20 February 2026).

The Bonds shall be issued in fully registered and dematerialised form and shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading, the Bonds shall have the following ISIN: MT0002121235.

The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer. The Bonds shall at all times rank *pari passu* without any priority or preference among themselves.

There are no special rights attached to the Bonds other than the right of Bondholders to: (i) the repayment of capital; (ii) the payment of interest; (iii) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and (v) such other rights attached to the Bonds emanating from the Prospectus. There are no restrictions on the free transferability of the Bonds.

3.2 Where will the securities be traded?

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

3.3 What are the key risks specific to the Securities?

3.3.1 No independent credit rating of the Bonds has been sought

The Issuer has not sought, nor does it intend to seek, the credit rating of an independent rating agency and there has been no assessment by any independent rating agency of the Bonds.

3.3.2 Subsequent changes in interest rates and potential impact on inflation

The Bonds shall carry a fixed interest rate. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The price of fixed rate bonds should, theoretically, be adversely impacted if interest rates increase above the level of the interest paid on the said bond. In an economic scenario where prevailing market interest rates are rising, the prices of fixed rate bonds decline and conversely, if market interest rates are declining, the prices of fixed rate bonds tend to rise. This is part of the market risk inherent in financial instruments but it is only crystallised if a Bondholder decides to sell the Bonds before maturity on the secondary market, since on maturity, a Bondholder will still be entitled to receive the face value of the Bonds.

The coupon payable on the Bonds is a nominal interest rate. The real interest rate is computed by subtracting inflation from the nominal interest rate, the result of which indicates the real return on the Bond coupons. In a period of high inflation, an investor's real return on the Bonds will be lower than the Bonds' nominal interest rate and thus undermine an investor's expected return. Furthermore, an increase in inflation may result in a decrease in the traded price of the Bonds on the secondary market

3.3.3 No prior market for the Bonds

Prior to the Bond Issue and Admission, there has been no public market for the Bonds within or outside Malta. Due to the absence of any prior market for the Bonds, there can be no assurance that the price of the Bonds will correspond to the price at which the Bonds will trade in the market subsequent to the Bond Issue.

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

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

Applications for Bonds

The Bonds are open for subscription by Authorised Financial Intermediaries (either for their own account or for the account of their underlying customers) pursuant to the Intermediaries' Offer.

Applications for subscriptions to the Bonds may be made through any of the Authorised Financial Intermediaries, subject to a minimum Application of €2,000 and in multiples of €100 thereafter.

Expected timetable of the Bond Issue

Offer Period	17 February 2025 to 21 February 2025
Commencement of interest on the Bonds	21 February 2025
Expected date of announcement of basis of acceptance	24 February 2025
Refunds of unallocated monies (if any)	24 February 2025
Expected dispatch of allotment advices	27 February 2025
Expected date of admission of the securities to listing	27 February 2025
Expected date of commencement of trading in the securities	28 February 2025

Total estimated expenses

Professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €300,000. There is no particular order of priority with respect to such expenses.

4.2 Why is this Prospectus being produced?

4.2.1 Use of proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €6.7 million, will be used for the following purposes, in the amounts and order of priority set out below:

(i) An amount of up to €4.5 million for the purposes of excavating, developing, constructing and completing the Paola Development; and

(ii) the remaining amount of €2.2 million to be used for the BDP Group's general corporate funding purposes.

4.2.2 Underwriting

The Bond Issue is not underwritten.

4.2.3 Conflicts of interest

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

REGISTRATION DOCUMENT

14 February 2025

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

BEST DEAL PROPERTIES HOLDING P.L.C.

a public limited liability company registered in Malta
with company registration number C 88974

Legal Counsel	Sponsor, Manager & Registrar
ZammitPace	MZ INVESTMENTS

THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MFSA AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MFSA 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 THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MFSA 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 SAFETY OF INVESTING IN SUCH INSTRUMENTS.

THE MFSA 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 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 FINANCIAL ADVISER.

Approved by the Directors

Christopher Attard	**Pierre Bartolo**

signing in their own capacity as directors of the Company and for and on behalf of each of Robert Buttigieg, David Basile, Erskine Vella, James Bullock, Mario P Galea and Marlene Seychell

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1. IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON BEST DEAL PROPERTIES HOLDING P.L.C., IN ITS CAPACITY AS ISSUER, IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE COMPANIES ACT (CHAPTER 386 OF THE LAWS OF MALTA) AND THE PROSPECTUS REGULATION.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS, TO PUBLISH OR ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF SECURITIES OF THE ISSUER OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF PUBLISHED, ISSUED, GIVEN OR MADE, SUCH ADVERTISEMENT, INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, OR ITS DIRECTORS OR ADVISERS.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS.

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES 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 ISSUER 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 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 PROFESSIONAL ADVISERS.

IT IS THE RESPONSIBILITY OF ANY PERSONS IN POSSESSION OF THIS DOCUMENT 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 APPLICANTS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH SECURITIES AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

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

IN TERMS OF ARTICLE 12(1) OF THE PROSPECTUS REGULATION, THE PROSPECTUS SHALL REMAIN VALID FOR A PERIOD OF TWELVE (12) MONTHS FROM THE DATE OF THE APPROVAL OF THE PROSPECTUS BY THE MFSA. 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 OR THE TIME WHEN TRADING ON A REGULATED MARKET COMMENCES, WHICHEVER OCCURS LATER. 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 UNDER THE HEADING "ADVISERS TO THE ISSUER" IN SUB-SECTION 5.2 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES NOTE OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, NO SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THE PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THE PROSPECTUS OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITES (IF ANY) OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITES 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 WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN ANY SECURITIES ISSUED BY THE ISSUER.

THE VALUE OF INVESTMENTS CAN FALL AS WELL AS RISE, AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS.

2. DEFINITIONS

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

2018 Bonds	The 4.25% secured bonds due 2024 issued by the Company pursuant to a prospectus dated 03 December 2018 of a nominal value of €100 per bond and of an aggregate nominal value of €16,000,000, and having ISIN MT0002121201;
2022 Bonds	The 4.75% secured bonds due 2025 - 2027 issued by the Company pursuant to a prospectus dated 09 November 2022 of a nominal value of €100 per bond and of an aggregate nominal value of €15,000,000, and having ISIN MT0002121219;
2024 Bonds	The 5.75% secured bonds due 2027-2029 issued by the Company pursuant to a prospectus dated 22 March 2024 of a nominal value of €100 per secured bond and of an aggregate nominal value of €15,000,000 and having ISIN MT0002121227;
Act	The Companies Act (Chapter 386 of the laws of Malta);
BDP Group or **Group**	The Issuer and any company or entity in which the Issuer has a controlling interest;
Best Deal Paola Limited	Best Deal Paola Limited, a private limited liability company registered under the laws of Malta bearing company registration number C 109339 and having its registered office at 63, J.L. Buildings, Triq Hal-Luqa, Paola PLA 9045, Malta;
Bond Issue or **Offer**	The issue of the Bonds;
Bond Obligations	The punctual performance by the Company of all its obligations under the Bonds upon issuance including the repayment of principal and payment of interest thereon;
Bondholder/s	A holder of Bonds;
Bonds	€7,000,000 unsecured bonds of a nominal value of €100, redeemable at the Redemption Value on the Redemption Date, bearing interest at the rate of 5.35% per annum on the nominal value of the Bond, as detailed in the Securities Note;
Capital Markets Rules	The Capital Markets Rules issued by the Malta Financial Services Authority in terms of the Financial Markets Act (Chapter 345 of the Laws of Malta), as amended from time to time;
Company or **Issuer**	Best Deal Properties Holding p.l.c., a public limited liability company registered under the laws of Malta bearing company registration number C88974 and having its registered office at 63, J.L. Buildings, Office 5, Luqa Road, Paola PLA 9045, Malta;
Directors or **Board**	The directors of the Company whose names are set out in section 5.1.1 under the heading "Identity of Directors, Advisers, and Auditors";
Euro or **€**	The lawful currency of the Republic of Malta;
Financial Analysis Summary	The financial analysis summary dated 14 February 2025 compiled by the Sponsor in line with the applicable requirements of the MFSA Listing Policies, a copy of which is set out in Annex II of the Securities Note forming part of the Prospectus;
Ghadira Development	The construction, development, and finishing, over the site situated in Mellieha, having a footprint measuring approximately 2,643sqm, of 119 garages, 10 maisonettes, 53 apartments and 2 penthouses;
Loan Agreement	The loan agreement to be entered into by and between the Issuer (as lender) and Best Deal Paola Limited (as borrower) pursuant to and in accordance with the terms and conditions of which the net proceeds from the Bond Issue, amounting to approximately €4,500,000, will be advanced by title of loan from the Issuer to Best Deal Paola Limited;
Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Acts (Chapter 345 of the laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Mellieha Development	The construction, development, and finishing, over the site situated in Mellieha, measuring in aggregate approximately 1,249sqm, of a total of 55 garages, 7 maisonettes, 35 apartments and 7 penthouses;
Memorandum and Articles of Association or **M&A**	The memorandum and articles of association of the Company in force at the time of publication of the Prospectus;
MFSA	The Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Chapter 330 of the laws of Malta) in its capacity as the competent authority in terms of the Financial Markets Act, authorised to approve prospectuses and admissibility to listing and to monitor and supervise local regulated markets and participants thereof falling within the regulatory and supervisory remit of the MFSA;
Ongoing Developments	The Pembroke I Development, the Siggiewi Development, and the Ghadira Development;
Ordinary Shares or **Shares**	Ordinary shares having a nominal value of €0.10 each in the capital of the Company;

Paola Site	The following two portions of immovable property located in Triq Hal-Luqa, Paola: (i) the tenement consisting of a divided portion of land forming part of the lands known as "Tal-Lhudi" measuring circa 293sqm, free and unencumbered, together with its overlying airspace and underlying sub-soil and the garages bearing official numbers 1, 3, 5, 9, 13, 15 and 11 in Triq it-Tfief, Paola, all free and unencumbered; and (ii) the tenement consisting of the house with its garden, named 'Maria' in Luqa Road, Rahal Gdid (at times indicated as Hal Tarxien), together with its roof and overlying airspace and the underlying and interconnected garage officially numbered 7 having a separate entrance from Triq it-Tfief, Paola, free and unencumbered, all as better described in the Property Valuation Report;
Paola Development	The construction, development, and finishing, over the Paola Site, having a footprint measuring approximately 678sqm, of 48 garages, 2 ground floor outlets, 2 maisonettes, 19 apartments and 3 penthouses;
Pembroke I Development	The construction, development, and finishing, over the corner site situated in Pembroke, having a footprint measuring approximately 380sqm, of 7 garages, 2 maisonettes, 4 three-bedroom apartments and two duplex penthouses;
Pembroke II Development	The construction, development and finishing over the site situated in Pembroke having a footprint measuring approximately 250sqm, consisting of 2 maisonettes at ground floor level, 4 apartments at first and second floor levels, 2 duplex penthouses at third and fourth floor levels, and 6 basement garages;
Planning Authority	The Planning Authority established in terms of the Development Planning Act (Chapter 552 of the laws of Malta);
Property Valuation Report	The property valuation report issued by TBA Periti and dated 12 February 2025;
Prospects MTF	The market regulated as a multilateral trading facility operated by the MSE providing a venue for start-up growth of small to medium sized enterprises to float their capital (including equity or debt) on the market;
Prospectus	Collectively, this Registration Document, the Securities Note and the Summary;
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;
Registration Document	This document in its entirety issued by the Issuer dated 14 February 2025, forming part of the Prospectus;
Securities Note	The securities note issued by the Issuer dated 14 February 2025, forming part of the Prospectus;
Siggiewi Development	The construction, development, and finishing, over the site located in Siggiewi, measuring *circa* 4,985sqm, of a total of 20 maisonettes, 60 apartments, 15 penthouses and 155 garages, spread over eight blocks;
Sponsor, Manager & Registrar	M.Z. Investment Services Limited having company registration number C 23936 and registered office at 63, MZ House, St. Rita Street, Rabat RBT 1523, Malta, licensed by the MFSA and a member of the MSE;
Subsidiary	An entity over which the parent has control. In terms of the International Financial Reporting Standards adopted by the European Union, a group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The term "Subsidiary" shall be construed accordingly. The term "Subsidiaries" shall collectively refer to the said entities;
Summary	The summary published by the Issuer dated 14 February 2025, forming part of the Prospectus;
Zabbar Development	The construction, development, and finishing, over the site located in Zabbar, measuring approximately 4,149sqm, of a total of 198 garages, 24 maisonettes, 81 apartments and 22 penthouses, spread over nine blocks.

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 also 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 references to a person include 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 term "including", "include", "in particular" or any similar expression is illustrative only and does not limit the sense of the words preceding the term; and
g) any references 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 issue of this Registration Document.

3. RISK FACTORS

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 MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

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 BDP 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 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 SPONSOR, MANAGER & REGISTRAR OR AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS 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 IN THIS DOCUMENT.

3.1 Forward-looking Statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, *inter alia*, statements concerning the Issuer's strategies and plans relating to the attainment of their respective 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. Important factors that could cause actual results to differ materially from the expectations of the Issuer's directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus.

If any of the risks described below were to materialise, they could have a material adverse effect on the Issuer's financial results and trading prospects and the ability of the Issuer to fulfil its Bond 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.

3.2 Risks Relating to the Issuer and the BDP Group

3.2.1 Issuer's exposure to and dependence on the BDP Group and its business

The Issuer is the holding parent company of the BDP Group, which was set up primarily as a finance and investment company with one of its purposes being that of raising finance and advancing same to members of the Group. In this respect, the Issuer is dependent on the business prospects of the BDP Group companies, and consequently, the operating results of the BDP Group have a direct effect on the Issuer's financial position and performance. As such, the risks intrinsic in the business and operations of the BDP Group shall have a direct effect on the financial position of the Issuer.

The business activities of the BDP Group are subject to general market and economic conditions, both locally and overseas. These conditions include, *inter alia*, consumer demand, financial market volatility, inflation, fluctuations in interest rates, exchange rates, direct and indirect taxation, unemployment, credit markets, government spending and other general market and economic conditions. In the event that general market and economic conditions were to experience a downturn, these weakened conditions may have an adverse impact on the financial position and operational performance of the BDP Group's business activities, potentially having a negative effect on the Issuer's financial position, cash flows, operational performance and its ability to fulfil its obligations in respect of the repayment of principal and interest under the Bonds punctually when due.

The BDP Group is also subject to the timely completion of its existing and prospective developments (including, but not limited to, the Paola Development) and other budgetary constraints relative to its business. These include factors such as the level of investment across the local property market, inflation and fluctuations in interest rates, exchange rates, property prices and other economic and social factors affecting demand for real estate generally. In the event that general economic conditions and property market conditions experience a downturn which is not contemplated in the Group's planning during the completion of its prospective real estate development projects, this shall have an adverse impact on the financial condition of the Group and the ability of the Issuer to meet its obligations under the Bonds.

3.2.2 The Issuer's dependence on payments due by Best Deal Paola Limited and other BDP Group companies

As a finance company, the majority of the Issuer's assets consist of loans issued to Best Deal Paola Limited and investments in Best Deal Paola Limited and other BDP companies. Consequently, the Company is entirely dependent on the receipt of interest and loan repayments from Best Deal Paola Limited and other BDP companies, and income derived from dividends receivable from Best Deal Paola Limited and other BDP Group companies. In this respect, the operating results of Best Deal Paola Limited and other BDP Group companies have a direct effect on the Company's financial position.

The interest payments, loan repayments and dividends to be effected by BDP Group companies (including Best Deal Paola Limited) are subject to certain risks. More specifically, the ability of BDP Group companies to effect payments to the Company will depend on the cash flows and earnings of BDP Group companies, which may be restricted by: (i) changes in applicable laws and regulations; (ii) by the terms of agreements to which they are or may become party, including the terms governing their existing indebtedness, if any; (iii) risks of delays in completion of its existing and prospective developments (including, but not limited to, the Paola Development); (iv) slowdown in tempo of property sales; or (v) by other factors beyond the control of the Company. The occurrence of any such factors could, in turn, negatively affect the ability of the Issuer to meet its obligations in connection with the payment of interest on the Bonds and repayment of principal when due.

3.3 Operational Risks Relating to the BDP Group and its Business

3.3.1 Risks associated with the acquisition, development, and sale of property

There are a number of factors that commonly affect the real estate development industry, many of which are beyond the BDP Group's control, and which could adversely affect the economic performance of the BDP Group and the value of its real estate properties under development. Such factors include:

- general industry trends, including the cyclical nature of the real estate market;
- changes in local market conditions, such as an oversupply of similar properties, a reduction in demand for real estate or change of local preferences;
- shortages and, or price increases in raw materials, services or other construction inputs, such as, among others, cement, steel, energy and other utilities, leading to cost overruns;
- insufficiency of resources to complete the projects;
- sales transactions or rental of commercial areas not being made at the prices and, or at the timings envisaged resulting in a liquidity strain or even potential penalties or other financial sanctions or litigation;
- possible structural and environmental problems;

- acts of nature, such as earthquakes and floods, that may damage any of the properties or delay development thereof;
- the inherent risks to health and safety arising from the nature of property development, including the risk of serious injury or even fatality, and the litigations that may arise therefrom; and
- increased competition in the market segment in which the BDP Group operates may lead to an oversupply of residential or commercial properties in such markets, which could lead to a lowering of prices and rental rates and a corresponding reduction in revenue of the BDP Group.

Any of the factors described above could have a material adverse effect on the BDP Group's business, its financial condition and prospects and accordingly on the repayment of the Bonds and interest thereon.

3.3.2 Risks associated with the competitive nature of the property market

The real estate market in Malta is very competitive in nature. An increase in supply and, or a reduction in demand in the property segments in which the BDP Group operates and targets to sell the remaining units in stock and the properties being developed, may cause sales of units forming part of its properties under development to sell at prices which are lower than is being anticipated by the BDP Group or that sales of such units are in fact slower than is being anticipated. If these risks were to materialise, particularly if due to unforeseen circumstances there is a delay in the tempo of sales envisaged by the BDP Group, they could have a material adverse impact on the BDP Group and the Company's ability to repay the Bonds and interest thereon.

3.3.3 Risks associated with property valuations and net realisable value

The valuation referred to in the Prospectus is prepared by independent qualified architects. However, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. In providing a market value of the respective properties, the architects have made certain assumptions which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends as reality may not match the assumptions. Subsequently, the BDP Group may purchase and, or have purchased property on the basis of inaccurate valuations. Moreover, property valuations are largely dependent on current and, or expected market conditions that may fluctuate from time to time. There can be no assurance that such property valuations and property-related assets will reflect actual market values.

3.3.4 Risks associated with the engagement and, or involvement of service providers and associated counterparty risks

The BDP Group relies upon third party or related service providers such as architects, project managers, building contractors, subcontractors, suppliers, and others for the construction and completion and (where applicable) subsequent operation of its property developments. This gives rise to counter-party risks in those instances where such third parties do not perform in line with the BDP Group's expectations and in accordance with their contractual obligations. If these risks were to materialise, the resulting development cost overruns or delays in completion or loss of revenue could have an adverse impact on the Group's business, and its financial condition, results of operations and prospects.

Best Deal Paola Limited has engaged Best Deal Properties Limited (a third-party company external to the BDP Group) to market and promote the Paola Development through the Best Deal Properties brand and to provide administrative and other services in terms of a services agreement dated 4 September 2024 (a copy of which is available for inspection as described in section 17 below). As such, the timing and volume of sales of units in the Paola Development depend on the strength of the Best Deal Properties brand and the marketing ability of the above-mentioned third-party company. While every effort is expected to be made to ensure a positive relationship between Best Deal Paola Limited and Best Deal Properties Limited, there is no assurance that events or circumstances in the future may not adversely affect that relationship or that Best Deal Properties Limited will not enforce its contractual rights under the services agreement in a manner that is adverse to Best Deal Paola Limited and the BDP Group.

3.3.5 Risks relating to cost overruns and delays in completing the BDP Group's projects

The projects being undertaken by the BDP Group (including, *inter alia*, the Paola Development) are susceptible to certain risks inherent in real estate development, most notably the risk of completion within their scheduled completion date and within the budgeted cost. If either or both of these risks were to materialise, they could have a significant impact on the financial condition of Best Deal Paola Limited and the Issuer, and the ability of the latter to meet its obligations under the Bonds. In particular, the risks of delays and cost overruns could cause actual sales revenues and costs to differ from those projected and which are affected, amongst others, by factors attributable to counterparties, general market conditions, and competition which are beyond the BDP Group's control.

Delays in the time scheduled for completion of the projects may also cause significant delays in the tempo of the sales forecasted by the BDP Group for units within the said projects affected by such delay, which can have a significant adverse impact on the BDP Group's financial condition and cash flows. Similarly, if the projects were to incur significant cost overruns that were not anticipated, the BDP Group may have difficulties in sourcing the funding required for meeting such cost overruns and therefore may risk not completing the projects, which shall have a material adverse impact on the cash flows generated from sales of units in said project development and a material adverse impact on the financial condition of the specific subsidiary undertaking the relevant project and ultimately the Issuer.

During the term of the Bonds, the BDP Group may acquire and develop further properties in addition to the Paola Development (including, *inter alia*, the Pembroke II Development). As such, the abovementioned exposure to cost overruns and delays in completing the Paola Development shall also apply to the construction and development of such additional properties.

3.3.6 *Risks relating to funding*

The funding of the Paola Development is partly dependent on the proceeds from the gradual sale of the units in each of the Ongoing Developments and the Paola Development. In the event that the projected sale of units is not attained or is delayed, the BDP Group may not have sufficient funds to complete the Paola Development, within the time-frames envisaged in this document, and, or to meet its payment obligations in relation to the construction and finishing of the Paola Development punctually when due.

3.3.7 *Risks relating to site health and safety and environmental-related liabilities*

The BDP Group is susceptible to risks relating to the health and safety of third parties, including the risk of serious injury or fatality. A failure which results in a major or significant health and safety incident, such as injury to, or fatality of, members of the construction workforce on any of its property development sites or of third parties may be costly in terms of potential liabilities as well as the generation of adverse publicity having a negative impact on the BDP Group's reputation. Whilst the BDP Group is required to adopt, maintain, and constantly review comprehensive health and safety policies and practices, there can be no assurance said policies and practices will prove effective in ensuring health and safety on its property development sites.

Furthermore, there can be no guarantee that the BDP Group will not incur unexpected liabilities such as fines for environmental pollution in respect of its Ongoing Developments. This could result in significant additional costs and, or delays in the completion of developments. Additional costs and, or fines may affect the ability of the Group to service or repay the Bonds. The reputation of the BDP Group could be adversely affected if unexpected environmental issues are identified. Environmental issues that affect one site could affect the saleability of units forming part of the Ongoing Developments. A negative reputation may affect the BDP Group's ability to complete and, or dispose of developments, and to use any such proceeds to service or repay the Bonds.

3.3.8 *Risks relating to failure to reflect environmental, social and governance considerations in the BDP Group's business model*

The focus on environmental, social and governance ("ESG") considerations globally, and in particular the related initiatives undertaken by European institutions, is likely to increase scrutiny by regulators, investors, and the general public on the BDP Group's operations.

ESG considerations that may impact the BDP Group include, *inter alia*, energy performance, energy and resource efficiency, waste management, energy and water use, the use of renewables, as well as social and employment considerations of workers and the health and safety thereof. Risks in this respect may include the lack of appropriate management and governance structures. Failure to manage these risks may have a negative impact on the BDP Group's reputation, operations and financial condition.

3.3.9 *Risks related to the image and reputation of the Best Deal Properties brand*

The marketing and sale of the BDP Group's projects are promoted through the Best Deal Properties brand, which is operated by a company external to the BDP Group, namely Best Deal Properties Limited. This latter company is principally involved in selling properties of the BDP Group and other third-party developers and owners through the Best Deal Properties brand. As such, the BDP Group's financial performance is influenced by the image, perception and recognition of the Best Deal Properties brand in Malta.

An event, or series of events, that materially damage/s the reputation of the Best Deal Properties brand could have an adverse effect on the tempo of sales and revenues of the BDP Group. Furthermore, any failure by Best Deal Properties Limited to maintain favourable brand recognition could have a significant negative effect on the BDP Group's business, results of operations and financial condition.

3.4 Economic and Financial Risks of the BDP Group

3.4.1 *Risks relating to rising costs for materials, resources and utilities*

The BDP Group operates in the property development industry, which necessitates the availability of certain resources (including human resources), materials and utilities, at cost-effective prices. The BDP Group's principal risks relate to its ability to deliver projects within agreed upon project deliverables, including project design specifications, quantity requirements, the involvement of qualified and skilled personnel, adequacy of resources and equipment, technical and industry standards, certification requirements, scheduled programme of works, fitting and finishing specifications and, ultimately, within project budgeted costs and stipulated project deadlines.

In recent years, the price of raw materials has been subject to substantial increases caused by a combination of heightened market demand and low availability, ongoing global supply chain challenges, increase in shipping costs, shortages in containers, ships, and human resources. Accordingly, a surge in prices has been witnessed for, *inter alia*, aluminium, steel, copper, oil, wood, and paper. Should the volatility in prices continue in an upward trajectory, the BDP Group may be negatively affected if these increased costs are not capable of being reflected in increased charges for the delivery of certain products and services of the Group.

Furthermore, the BDP Group may be unable to maintain an adequate stock of the materials and resources it requires, including the appropriate workforce for the BDP Group's development projects resulting in increased costs and project delays. The BDP Group's inability to comply with its obligations could adversely impact the BDP Group's relations with its customers and suppliers, prejudice its goodwill and, or could result in a material adverse effect on the financial position, financial performance, and operational results of the BDP Group.

3.5 Legal, Regulatory and Compliance Risks

3.5.1 Risks relating to the regulatory environment in which the Group operates

Current laws and regulations, which may be amended from time to time, impose a liability for the presence of certain materials or substances or the release of certain materials or substances into the air, land or water or the migration of certain materials or substances from a property and property development, including asbestos, and such presence, release or migration could form the basis for liability to third parties for personal injuries or other damages.

In view of these obligations, the BDP Group may become liable for the costs of removal, investigation or remediation of any substances, including hazardous or toxic substances, that may be located on, or in or which may have migrated from, a property owned or occupied by it, which costs may be substantial. The BDP Group may also be required to remove or remediate any such substances or materials that it causes or knowingly permits at any property that it owns or may in future own.

In addition to environmental constraints, the BDP Group's property development operations are subject to extensive regulations, including national and local regulation and administrative requirements and policies which relate to, among other things, planning, developing, land use, local urban regeneration strategy, fire, health and safety, and others. These regulations often provide broad discretion to the relevant authorities and non-compliance may adversely affect the BDP Group's financial condition, its results of operations and its prospects.

3.5.2 Risks associated with the ability to secure planning and construction consents on a timely basis

Obtaining planning permits, from the competent planning and environment authorities, on a timely basis, is of key importance to the BDP Group's business. There can be no certainty that any given application will result in planning consent being granted, or that if granted, will not be on unduly onerous terms, which, if occurring across a number of developments, may materially and adversely affect the BDP Group's business. Additionally, time delays to the expected timescale for the granting of planning consent may result in a reduction in the number of units that are available for sale within a proposed time frame. Furthermore, local and national planning policies are subject to change, which could consequently impact the BDP Group's development strategy.

3.5.3 Risks relating to the failure to implement sustainable and, or environmental, social and governance considerations in the BDP Group's business model

There is a growing expectation for companies to implement sustainability as a feature in their business strategies to reflect changing social norms and practices. With an increased emphasis on environmental, social and governance ("ESG") considerations at global level, the implementation of sustainable factors in the BDP Group's business model is likely to become under increased scrutiny by investors, regulators, and the public at large. ESG considerations for the purposes of the BDP Group's business may include, *inter alia*, energy performance, energy and resource efficiency, waste management, energy and water use, the use of renewables, as well as social and employment considerations of workers and the health and safety thereof. Should the BDP Group fail to operate its business in a sustainable manner, this may have a material adverse effect on the BDP Group's reputation and public image in both sectors, as well as its relationship with clients, suppliers, and other stakeholders. This, in turn, may have a material adverse impact on the BDP Group's business activities, revenues, financial condition, and operations.

3.5.4 Litigation risk

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

4. PERSONS RESPONSIBLE AND STATEMENT OF APPROVAL

This Registration Document includes information prepared in compliance with the Capital Markets Rules issued by the MFSA and the Prospectus Regulation for the purpose of providing Bondholders with information with regard to the Issuer. Each and all of the Directors of the Issuer whose names appear in sub-section 5.1.1 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.

The Registration Document has been approved by the MFSA as the competent authority in Malta under the Prospectus Regulation. The MFSA has only approved the Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Issuer or the BDP Group (as the subjects of the Registration Document).

5. IDENTITY OF THE DIRECTORS, ADVISERS AND AUDITORS

5.1 Directors of the Issuer

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

Christopher Attard	402867M	Executive Director
Pierre Bartolo	37765M	Executive Director
David Basile	117978M	Executive Director
Robert Buttigieg	389399M	Executive Director
Erskine Vella	191778M	Executive Director
James Bullock	659657M	Chairman, Non-Executive Director
Mario P Galea	522554M	Independent, Non-Executive Director
Maria Carmela *sive* Marlene Seychell	600063M	Independent, Non-Executive Director

Christopher Attard, Pierre Bartolo, David Basile, Robert Buttigieg and Erskine Vella occupy executive positions within the BDP Group. The other three Directors, being James Bullock, Mario P Galea and Marlene Seychell serve on the Board of the Issuer in a non-executive capacity. Mario P Galea and Marlene Seychell are considered as independent Directors since they are free of any significant 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 the independence of Mario P Galea and Marlene Seychell, due notice has been taken of rule 5.119 of the Capital Markets Rules.

The business address of the Directors of the Issuer is 63, J.L. Buildings, Office 5, Luqa Road, Paola PLA9045, Malta.The Company Secretary of the Issuer is Bastion Corporate Services Limited, a private limited liability company registered under the laws of Malta bearing company registration number C 93102, which holds a Class C CSP licence issued by the MFSA authorising it to act as secretary in relation to companies. The *curricula vitae* of the Directors of the Issuer are set out in sub-section 10.1 of this Registration Document.

5.2 Advisers to the Issuer

As at the date of the Prospectus, none of the advisers named below have any beneficial interest in the share capital of the Issuer or any other member of the BDP Group. Additionally, save for the terms of engagement relative to their respective services provided in connection with the preparation of the Prospectus, no material transactions have been entered into by the Issuer or any other member of the BDP Group with any of the advisers referred to below. The organisations listed below have advised and assisted the Directors in the drafting and compilation of the Prospectus.

Legal Counsel:
Name: Zammit Pace Advocates
Address: 35, St Barbara Bastions, Valletta VLT 1961, Malta

Sponsor, Manager & Registrar:
Name: M.Z. Investment Services Limited
Address: 63, St Rita Street, Rabat RBT 1523, Malta

Financial Advisers:
Name: Grant Thornton
Address: Fort Business Centre, Floor 2, Triq l-Intornjatur, Zone 1, Birkirkara CBD 1050, Malta

5.3 Auditors

Name:	RSM Malta
Address:	Mdina Road, Zebbug ZBG 9015, Malta

The annual statutory financial statements of the Issuer for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023 were audited by RSM Malta of Mdina Road, Zebbug ZBG 9015, Malta.

RSM Malta (accountancy board registration number AB/26/84/53) 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).

6. INFORMATION ABOUT THE ISSUER AND THE BDP GROUP

6.1 The Issuer

Full legal and commercial name of the Issuer:	Best Deal Properties Holding p.l.c.
Registered address:	63, J.L. Buildings, Office 5, Luqa Road, Paola PLA 9045, Malta
Place of registration and domicile:	Malta
Registration number:	C 88974
Date of registration:	23 October 2018
Legal Entity Identifier ("LEI"):	485100A1WBOSGJKWHT04
Legal form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act
Telephone number:	2169 2279
Email address:	info@bestdealholdings.com
Website*:	www.bestdealholdings.com

**The information on the Issuer's website does not form part of the Prospectus, unless that information is incorporated by reference into the Prospectus.*

The principal object of the Issuer is that of a holding company and to promote, including through its Subsidiaries, the acquisition and development of real estate properties. As such, the Issuer is mainly dependent on the business prospects of its operating subsidiaries.

The projects embarked upon by the BDP Group are typically undertaken through special purpose vehicles established for that project/s, and each special purpose vehicle is managed through its board of directors, which has common members with the directors of the Issuer.

With regards to marketing and sales, each project is promoted through the Best Deal Properties brand, which is operated by Best Deal Properties Limited, a company external to BDP Group and owned by Christopher Attard and Erskine Vella, both founding members of the BDP Group. In terms of a services agreement dated 4 September 2024 (a copy of which is available for inspection as described in section 17 below), between Best Deal Properties Limited (the service provider) and Best Deal Paola Limited, the former company shall charge an aggregate fixed fee of €133,000 for the provision of marketing and administrative services and health & safety management, for the period commencing on 1 January 2025 and ending on 31 December 2027, in relation to the Paola Development.

Save for the above, the Issuer is not dependent on other entities within the BDP Group or outside the BDP Group with respect to the management of the Group's projects.

The Issuer operates exclusively in and from Malta.

6.2 History and Development of the BDP Group

The partnership between the founding shareholders of the BDP Group, Christopher Attard, Erskine Vella, John Buttigieg and Pierre Bartolo, commenced in 2016 through the incorporation of Elite Developments Limited (C 74282), with the principal aim of acquiring the sites over which two residential apartment blocks – Crystal Court and Blue Moon Court, both located in Marsascala – have been constructed. In 2018, a second company – PJCE Properties Limited (C 85050) – was established to acquire and develop Garnet Court, in Mqabba.

Christopher Attard has over 30 years' experience in the property development business, whilst Erskine Vella worked as an estate agent for *circa* 15 years before setting up the Best Deal Properties brand with Mr Attard in 2011 to market property in Malta (the establishment and operation of the said brand is unrelated to the BDP Group). Their business development strategy is to engage in property developments through own companies or entities established with third party investors. In all cases, projects involving Mr Attard and Mr Vella are marketed through the Best Deal Properties brand, which is particularly known for its offerings to first-time and mid-tier property buyers in the south of Malta. Elite Developments Limited and PJCE Properties Limited were set up on the same basis of operations. John Buttigieg and Pierre Bartolo were mainly involved in the catering industry, through their stakes in Buttigieg Holdings Ltd, before venturing into property development in 2016. Buttigieg Holdings Ltd was fully acquired in the same year by

International Hotel Investments p.l.c. (a public company listed on the Malta Stock Exchange). On 9 November 2018, John Buttigieg transferred his equity holding in Elite Developments Limited and PJCE Properties Limited to RCJ Investments Limited (C 88743), a company owned by his three children.

For the purpose of a re-organisation of the BDP Group, the Issuer was established on 23 October 2018 as a public limited liability company registered under the Act, and each existing shareholder subscribed to 15,000 fully paid-up ordinary shares of €1 each (being €60,000 in aggregate). On 13 November 2018, the Company became the parent company of Elite Developments Limited and PJCE Properties Limited through a share-for-share exchange. Pursuant to the above, the issued share capital of the Company was increased to €250,000, divided into 250,000 ordinary shares of a nominal value of €1 each, fully paid up.

Furthermore, through two assignment of debt agreements both dated 31 October 2018, shareholders' loans amounting to €2.3 million (in aggregate) were transferred from Elite Developments Limited and PJCE Properties Limited to the Company. The said shareholders' loans, which had no fixed redemption date, nor any right to payment of interest and which were ranked as subordinated debt, were repaid in full during the first half of the year 2024.

On 31 October 2018, Best Deal Developments Limited (C 89191) was incorporated as a wholly-owned subsidiary of the Issuer. In December 2018, the Company issued 4.25% secured bonds due 2024 of a nominal value of €100 per bond and of an aggregate nominal value of €16,000,000 pursuant to a prospectus dated 03 December 2018 (the "**2018 Prospectus**") having ISIN MT0002121201 (the "**2018 Bonds**"). The 2018 Bonds were issued by the Company for the purposes of acquiring three sites in Zabbar, Mellieha and Pembroke and developing thereon the Zabbar Development, the Mellieha Development and the Pembroke I Development, respectively. The 2018 Bonds are guaranteed by Best Deal Developments Limited. The 2018 Bonds were redeemed in full on 12 December 2024.

On 29 June 2019, the Issuer implemented a 10 for 1 share split, and accordingly the issued share capital of the Company amounted to 2,500,000 Ordinary Shares of €0.10 each.

On 30 October 2019, the Group raised further equity from a new investor – C Developments Limited, which acquired 20% of the Company through an offer for subscription of 625,000 new Ordinary Shares of a nominal value of €0.10 each at a share issue price of €1.60 (the "**New Shares**"), in terms of a Company Admission Document issued by the Company and dated 21 August 2019. The New Shares, together with the 2,500,000 existing Ordinary Shares of the Company were admitted to Prospects MTF on 22 August 2019. Moreover, C Developments Limited advanced to the Company an amount of €1,200,000 by way of loan (the "**New Shareholder's Loan**") to further assist the BDP Group with ongoing working capital requirements.

Pursuant to the issue and allotment of the New Shares in favour of C Developments Limited and the New Shareholder's Loan, the BDP Group's capital was strengthened through a cash injection of €2.2 million which enabled the Group to accelerate the development of the Zabbar Development, the Mellieha Development and the Pembroke I Development.

On 31 May 2022, Best Deal Estates Limited (C 102444) was set up as a wholly-owned subsidiary of the Company to acquire a site located in Siggiewi (the "**Siggiewi Site**") and to develop the Siggiewi Development. In November 2022, the Company issued 4.75% secured bonds due 2025 - 2027 of a nominal value of €100 per bond and of an aggregate nominal value of €15,000,000 pursuant to the prospectus dated 09 November 2022 (the "**2022 Prospectus**") having ISIN MT0002121219 (the "**2022 Bonds**"). The balance of the 2022 Bonds as at 31 December 2024 amounted to €14,794,800. The 2022 Bonds were issued by the Company for the purposes of acquiring a site located in Siggiewi and developing thereon the Siggiewi Development.

The 2022 Bonds are guaranteed by Best Deal Estates Limited and secured by the following security rights in favour of Finco Trust Services Limited, company registration number C 13078, having its registered office at The Bastions Office, No.2, Emvin Cremona Street, Floriana FRN 1281, Malta, acting as security trustee (the "**Security Trustee**") for the benefit of the holders of the 2022 Bonds:

(i) the first ranking general hypothec for the full nominal value of the 2022 Bonds and interests thereon over all the present and future property of Best Deal Estates Limited;

(ii) the first ranking special hypothec for the full nominal value of the 2022 Bonds and interests thereon over the land on which the Siggiewi Site is being developed together with all and any constructions to be developed thereon;

(iii) the joint and several guarantee, dated 09 November 2022 granted by Best Deal Estates Limited as security for the punctual performance of the Issuer's payment obligations in terms of the 2022 Prospectus, subject to the terms and conditions contained in the security trust deed signed between the Issuer, Best Deal Estates Limited and the Security Trustee, dated 09 November 2022; and

(iv) a pledge agreement, dated 12 December 2022 and entered into by and between Best Deal Estates Limited and the Security Trustee for the purpose of constituting a pledge on insurance policy proceeds as security for the full nominal value of the 2022 Bonds and interest thereon.

On 23 August 2023, Best Deal Ghadira Limited (C 106260) was set up as a wholly-owned subsidiary of the Company to acquire a site located in Mellieha (the "**Ghadira Site**") and to develop the Ghadira Development. In March 2024, the Company issued 5.75% secured bonds due 2027 – 2029 of a nominal value of €100 per bond and of an aggregate nominal value of €15,000,000 pursuant to the prospectus dated 22 March 2024 (the "**2024 Prospectus**") having ISIN MT0002121227 (the "**2024 Bonds**"). The balance of the 2024 Bonds as at 31 December 2024 amounted to €15,000,000. The 2024 Bonds were issued by the Company for the purposes of acquiring the Ghadira Site and developing thereon the Ghadira Development.

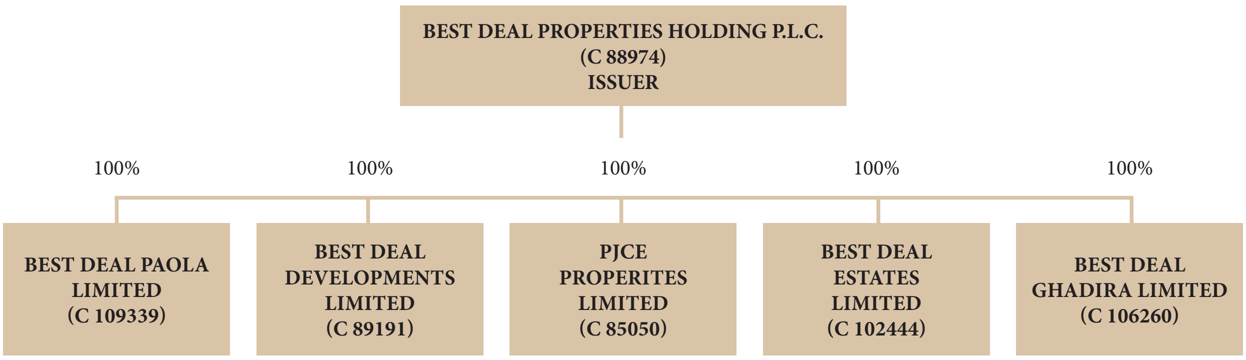
The 2024 Bonds are guaranteed by Best Deal Ghadira Limited and secured by the following security rights in favour of the Security Trustee for the benefit of the holders of the 2024 Bonds:

(i) the first ranking general hypothec for the full nominal value of the 2024 Bonds and interest thereon over all the present and future property of Best Deal Ghadira Limited;
(ii) the first ranking special hypothec for the full nominal value of the 2024 Bonds and interest thereon over the land on which the Ghadira Site is being developed together with all and any constructions to be developed thereon;
(iii) a pledge agreement, to be entered into by and between Best Deal Ghadira Limited and the Security Trustee for the purpose of constituting a pledge on insurance policy proceeds as security for the full nominal value of the 2024 Bonds and interest thereon; and
(iv) the joint and several guarantee, dated 22 March 2024, granted by Best Deal Ghadira Limited as security for the punctual performance of the Issuer's payment obligations in terms of the 2024 Prospectus, subject to the terms and conditions contained in the security trust deed signed between the Issuer, Best Deal Ghadira Limited and the Security Trustee, dated 22 March 2024.

Following the completion of the deed of acquisition of the Paola Site (as detailed in sub-section 6.4.3.2 below), the Company has the indirect legal and beneficial interest and control over the Paola Development.

6.3 Organisational Structure

The diagram below indicates the structure of the BDP Group as at the date of this Registration Document:



The above subsidiary companies of the Issuer are property companies and have their registered office at 63, J.L. Buildings, Office 5, Luqa Road, Paola PLA 9045, Malta.

PJCE Properties Limited was responsible for the development of Garnet Court, in Mqabba. Elite Developments Limited (C 74282), a Group company which was struck off following the merger with PJCE Properties Limited on 25 April 2024, was involved in the development of Crystal Court and Blue Moon Court, both located in Marsascala. All three developments are now fully sold.

Best Deal Developments Limited has completed the development of the Pembroke I Development, described in sub-section 6.4.1.6 below. Best Deal Developments Limited has been engaged in the construction and development of the Pembroke II Development (as further described in sub-section 6.4.3.1 below).

Best Deal Estates Limited is engaged in the Siggiewi Development, as set out in more detail in sub-section 6.4.2.1 below.

Best Deal Ghadira Limited is engaged in the Ghadira Development, as set out in more detail in sub-section 6.4.2.2 below.

As indicated in sub-section 6.2 above, Best Deal Paola Limited's principal objective is to purchase properties for the development of residential units. In the immediate term, Best Deal Paola Limited has acquired the Paola Site, in order to construct and develop the Paola Development, as set out in more detail in sub-section 6.4.3.2 below.

6.4 Overview of the Group's Business and Investments

The Issuer does not undertake any trading activities itself and its sole purpose is that of acting as the finance arm of the Group, principally by raising finance and advancing same to members of the Group. Accordingly, the Issuer is economically dependent principally on the operational results, financial condition and performance of its borrower Group companies.

The principal activity of the Group is the acquisition and development of real estate.

As described in sub-section 6.2 above, the BDP Group initiated operations in 2016 through the acquisition of a site in Marsascala and the development of Crystal Court project. The success of this project encouraged the Group to embark on further projects, many of which have been completed or which are in the process of being completed.

The BDP Group places strong focus on sustainability in the development of its projects. The principal objective of its approach to sustainable property development is ultimately to minimise the negative impact of development on the environment and to maximise the sustainable use of resources. By implementing energy efficient solutions in the construction and finishing of its properties, particularly through the use of efficient building techniques and durable materials and systems, the aim of the BDP Group is to extend the durability and functionality of its properties-for-sale.

A brief overview of each of the projects which have been completed by the BDP Group and those in the course of development are provided hereunder, in sub-sections 6.4.1 and 6.4.2, respectively. An overview of the new projects that are expected to be carried out during the course of 2024 and 2025, namely the Pembroke II Development and the Paola Development is provided in sub-section 6.4.3.1 and 6.4.3.2 respectively.

6.4.1 Completed Projects

6.4.1.1 Crystal Court - Marsascala

The BDP Group completed the development of Crystal Court in Marsascala comprising two blocks of 30 garages, five maisonettes, seven two-bedroomed apartments, 11 three-bedroomed apartments and two three-bedroomed penthouses. The total cost (including land acquisition) amounted to *circa* €3.4 million. The expenditure was financed principally through a bank loan of €1.9 million and the remaining balance from own funds. Aggregate revenue generated from this project amounted to €4.8 million.

6.4.1.2 Blue Moon Court - Marsascala

The BDP Group completed the Blue Moon project, located in Marsascala, which comprised two blocks consisting of 19 garages, five maisonettes, 15 three-bedroomed apartments and three penthouses. The total cost, including acquisition of the site and completion of the project, amounted to €5.5 million, which was partly financed through a bank loan of €3.1 million. All units and garages were sold generating a total revenue of €7.2 million.

6.4.1.3 Garnet Court - Mqabba

The BDP Group completed the Garnet Court project, in Mqabba, which comprised 33 garages, two maisonettes at ground floor level, 23 apartments and three penthouses. The total cost, including acquisition of the site and completion of the project amounted to €6.2 million, which was funded through bank borrowings, deposits received from execution of promise of sale agreements and Group cash flows. All the aforementioned units and garages were sold, generating an aggregate revenue of €7.6 million.

6.4.1.4 Zabbar Development

The Zabbar Development comprises the construction of nine blocks consisting of 24 maisonettes, 81 apartments (spread over three floors) and 22 penthouses and 198 underlying garages. Four of the afore-mentioned nine blocks enjoy open country views from the front terraces as they face a green area.

Works on the Zabbar Development have been completed. These were principally financed from 2018 Bond Issue proceeds, revenue generated from the Zabbar Development and other sources of funds of the BDP Group.

Revenue generated from the Zabbar Development during the first four years amounted to €30.9 million. Aggregate revenue generated from this project is expected to amount to *circa* €37.6 million.

6.4.1.5 Mellieha Development

The Mellieha Development has been split into three blocks, with two levels of garages (55 garages) and 7 maisonettes at ground floor level, 35 apartments spread over five levels and 7 penthouses. The units comprise a mix of one-bedroomed, two-bedroomed and three-bedroomed apartments and panoramic views will be visible from the sixth and seventh levels.

The project was completed by Q2 2024 and was principally financed from 2018 Bond Issue proceeds, revenue generated from the Mellieha Development and other sources of funds of the BDP Group.

Revenue generated from the Mellieha Development until 31 December 2023 amounted to €11.3 million. Overall, the Mellieha Development is expected to generate *circa* €15.5 million in total revenue.

6.4.1.6 Pembroke I Development

The Pembroke I Development comprises 7 garages, 2 maisonettes, 4 three-bedroomed apartments and 2 three-bedroomed duplex penthouses.

As at 30 June 2024, development was 100% complete. The acquisition cost (excluding deposits) of *circa* €1.4 million was funded, as to €0.9 million out of the proceeds of the 2018 Bonds and the balance of €0.5 million was settled in kind, through the assignment of a penthouse at Blue Moon Court, Zabbar. Aggregate revenue generated from this project is expected to amount to *circa* €4.5 million.

6.4.2 Ongoing Developments

6.4.2.1 Siggiewi Development

The Siggiewi Development comprises 20 maisonettes, 60 apartments and 15 penthouses. The sizes vary, and include one, two and three bedroomed units. The development also includes 155 lock-up garages including 2 substations set up on two basement levels (levels -1 and -2).

Full completion of the project is scheduled for 2026 and is principally being financed from the issue proceeds of the 2022 Bonds, revenue generated from the Siggiewi Development and other sources of funds of the BDP Group. The Siggiewi Development is expected to generate aggregate revenue of *circa* €42.3 million.

6.4.2.2 Ghadira Development

The Ghadira Development comprises 10 maisonettes, 53 apartments and 2 penthouses. The development also includes 119 lock-up garages.

Full completion of the project is scheduled for 2028 and is principally being financed from 2024 Bond Issue proceeds, revenue generated from the Ghadira Development and other sources of funds of the BDP Group. The Ghadira Development is expected to generate aggregate revenue of *circa* €39.0 million.

6.4.3 New Developments

The Issuer, through its subsidiaries, is expected to carry out two new projects between 2024 and 2027, namely the Pembroke II Development and the Paola Development, as follows:

6.4.3.1 Pembroke II Development

On 09 June 2021, Best Deal Developments Limited entered into a promise of sale agreement wherein it promised to exchange a duplex penthouse and a garage forming part of the Pembroke I Development for a new site located in Pembroke, valued at €750,000. The project will convert this site to a block of apartments comprising 2 maisonettes at ground floor level, 4 apartments at first and second floor levels, 2 duplex penthouses at third and fourth floor levels, and 6 basement garages. The project costs are expected to amount to €2.5 million and will be financed through the profits generated from the Ongoing Developments which are presently being undertaken by the same entity, Best Deal Developments Limited.

The Pembroke II Development is expected to be completed in shell form by Q4 2025 with finishings to be concluded by Q4 2027. Total revenue is projected to amount to *circa* €3.4 million.

6.4.3.2 Paola Development

Acquisition of the Paola Site

C&E Developments Limited (C75325) ("**C&E**"), a company jointly owned by two of the Issuer's shareholders, namely Mr. Erskine Vella and Mr. Christopher Attard, entered into two promise of sale agreements dated 17 February 2023 (the "**First Promise of Sale Agreement**") and 24 March 2023 (the "**Second Promise of Sale Agreement**"), respectively (together, the "**Promise of Sale Agreements**") for the acquisition of the following two portions of immovable property located in Triq Hal-Luqa, Paola: (i) the tenement consisting of a divided portion of land forming part of the lands known as "Tal-Lhudi" measuring *circa* 293sqm , free and unencumbered, together with its overlying airspace and underlying sub-soil and the garages bearing official numbers 1, 3, 5, 9, 13, 15 and 11 in Triq it-Tfief, Paola, all free and unencumbered, for the purchase consideration of €1,560,000 (as set out in the First Preliminary Agreement); and (ii) the tenement consisting of the house with its garden, named 'Maria' in Luqa Road, Rahal Gdid (at times indicated as Hal Tarxien), together with its roof and overlying airspace and the underlying and interconnected garage officially numbered 7 having a separate entrance from Triq it-Tfief, Paola, free and unencumbered, for the purchase consideration of €935,000 (as set out in the Second Preliminary Agreement). The said two portions of immovable property are referred to together in this Prospectus as the **Paola Site**.

On 11 February 2025, Best Deal Paola Limited entered into: (i) a notarial deed published by Notary Diane Magro whereby (a) C&E Developments Limited (as assignor) transferred and assigned all its rights and obligations under the First Preliminary Agreement to Best Deal Paola Limited (as assignee) for no financial consideration; and (b) Best Deal Paola Limited acquired by title of sale from third party vendors the tenement consisting of a divided portion of land forming part of the lands known as "Tal-Lhudi" measuring circa 293sqm, free and unencumbered, together with its overlying airspace and underlying sub-soil and the garages bearing official numbers 1, 3, 5, 9, 13, 15 and 11 in Triq it-Tfief, Paola, all free and unencumbered, for the purchase consideration of €1,560,000; and (ii) a notarial deed published by Notary Diane Magro whereby (a) C&E Developments Limited (as assignor) transferred and assigned all its rights and obligations under the Second Preliminary Agreement to Best Deal Paola Limited (as assignee) for no financial consideration; and (b) Best Deal Paola Limited acquired by title of sale from third party vendors the tenement consisting of the house with its garden, named 'Maria' in Luqa Road, Rahal Gdid (at times indicated as Hal Tarxien), together with its roof and overlying airspace and the underlying and interconnected garage officially numbered 7 having a separate entrance from Triq it-Tfief, Paola, free and unencumbered, for the purchase consideration of €935,000. Accordingly, the Paola Site now forms part of the property portfolio of Best Deal Paola Limited. The acquisition of the Paola Site was financed through the Group's own funds.

Subject to the successful issue and allocation of the Bonds, the Issuer will enter into the Loan Agreement, by virtue of which part of the proceeds of the Bond Issue will be made available to Best Deal Paola Limited for the development of the Paola Site, as set out in more detail in sub-section 5.1 of the Securities Note.

Planning Permits

The Assignor has submitted a Planning Authority application (PA/04458/23) for the development of the Paola Site into the Paola Development, which was approved by the Planning Authority on 2 September 2024.

Construction and Development

The Paola Development will comprise 2 commercial units (1 of which will be kept within the Group for own use), 19 apartments, 2 maisonettes, 3 penthouses and 48 garages.

Development is set to commence in Q1 2025 and is expected to be completed in Q4 2027 at an estimated cost of *circa* €8.2 million (including finance costs, commissions, and site acquisition). The total estimated revenue from the Paola Development is estimated at €9.9 million. The Paola Development shall be financed through the net proceeds of the Bond Issue, revenue generated from the Paola Development and other sources of funds of the BDP Group.

As with the completed and ongoing projects, the Paola Development will be marketed under the Best Deal Properties brand, and will thus have exposure on the brand's website (www.bestdealmalta.com) and benefit from other media coverage.

The Directors have acquired considerable knowledge in developing and marketing similar projects and accordingly, is confident that the actual outcome of the Paola Development will at least be in line with expectations. The Directors believe that, given the location of the Paola Development, the layout of the units and the proposed level and standard of finishes, the Paola Development will be a competitive offering for prospective buyers wishing to acquire a residential property. The target buyers are principally first-time buyers, and investors wishing to maximise rental income potential.

Further information on the Paola Development is included in the Property Valuation Report.

6.4.4 Future Developments

C&E entered into a promise of sale agreement to acquire a site measuring *circa* 1,500sqm situated in Bubaqra, Zurrieq (the "**Zurrieq Site**") from its current owners for the consideration of three million two hundred thousand Euro (€3,200,000). On 2 November 2023, the wholly owned subsidiary of the Issuer, Best Deal Developments Limited entered into a promise of assignment agreement with C&E, wherein C&E (as assignor) promised to cede and assign to Best Deal Developments Limited (as assignee), which promised to accept, all rights and obligations of Best Deal Developments Limited in respect of the Zurrieq Site resulting from the aforementioned promise of sale agreement. As at the date of this Registration Document, the Group has yet to submit a comprehensive planning control application to the Planning Authority in Malta in respect of the prospective development of the said site.

7. FINANCING AND SOLVENCY

There are no recent events particular to the Issuer which are to a material extent relevant to an evaluation of its solvency.

No credit ratings have been assigned to the Issuer at the request or cooperation of the said Issuer in the rating process.

The Directors are not aware of any material change in the Issuer's borrowing and funding structure since the end of its latest financial year ending 31 December 2023, with the exception of the issuance of the 2024 Bonds.

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

8. TREND INFORMATION

There has been no material adverse change in the prospects of the Issuer since 31 December 2023, being the date of its last published audited financial statements to the date of the Registration Document.

There has been no significant change in the financial performance and financial position of the BDP Group since 30 June 2024, being the end of the last financial period for which financial information has been published, to the date of the Registration Document.

The Directors are of the view that the Issuer and the BDP Group shall, generally, be subject to the normal business risks associated with the property market in Malta and, barring unforeseen circumstances, do not anticipate any likely material adverse effect on the Issuer's and the BDP Group's prospects, at least up to the end of 2025.

Economic Update [1]

In its latest economic update, the Central Bank of Malta ("**CBM**") noted that the Maltese economy has demonstrated resilience in 2024, with strong economic activity supported by favourable domestic conditions. Moreover, high inflationary pressures continued to ease, contributing to an increase in real disposable income which, in turn, is expected to continue sustaining private consumption growth. However, growth is expected to moderate over the coming years as the economy stabilises and converges towards its potential output by 2027.

The CBM anticipates that real GDP growth will decline from 7.5% in 2023 to 4.9% in 2024, before continuing on a downward trajectory to 3.9% in 2025, 3.6% in 2026, and 3.4% in 2027. This slowdown is largely attributed to the normalisation of economic activity following the rapid expansion witnessed in the past three years. While net exports were the primary driver of growth in 2023, the outlook for the future suggests that domestic demand will take on a more dominant role. Private consumption, which has been growing at a rapid pace, is projected to remain strong, though it will gradually decelerate as households adjust to economic conditions. Investment is also expected to recover following a sharp contraction in 2023, which had been driven by exceptional circumstances within the aviation sector.

[1] ***Source:*** Central Bank of Malta, 'Outlook for the Maltese Economy', 16 December 2024, available at: https://www.centralbankmalta.org/archive-economic-projections.

Government expenditure will continue to play a stabilising role in economic growth, with public sector investment expected to have increased significantly in 2024 before tapering off in subsequent years. Although government consumption remains steady, it is forecasted to decline slightly as a share of GDP over time. Meanwhile, net exports, particularly in the services sector, are expected to contribute positively to growth, but at a more subdued pace compared to previous years. The trade balance is projected to remain in surplus, supported by the strong performance of Malta's services exports, even as import growth picks up due to rising investment activity.

The labour market is forecast to remain robust, albeit with some moderation in employment growth. Total employment is expected to have increased by 4.0% in 2024, down from 6.1% in 2023, before gradually slowing to 2.3% by 2027. Demand for labour is expected to remain high, but a slowdown in economic expansion and an assumed recovery in productivity will lead to a gradual easing of labour market tightness. Net migration inflows are also expected to decelerate due to policy changes affecting the recruitment of third-country nationals in certain sectors. The unemployment rate, already at historically low levels, is forecast to decline marginally, reaching 3.1% by 2027. Wage growth is projected to have been strong in 2024 as employers continue to adjust compensation to account for past inflationary pressures, particularly in both the public and private sectors. However, as economic conditions stabilise, wage growth is expected to moderate over the forecast period.

Inflation has been on a steady downward trajectory, with the Harmonised Index of Consumer Prices expected to have fallen from 5.6% in 2023 to 2.5% in 2024. This decline is driven by lower food price inflation, subdued increases in non-energy industrial goods, and stabilisation in services inflation. Inflation is expected to continue easing in subsequent years, reaching 2.2% in 2025 and stabilising at 2.0% in 2026 and 2027. The government's commitment to maintaining stable energy prices is expected to contribute to the moderation of inflationary pressures. Despite this overall decline, services inflation remains a key contributor to price growth due to wage-sensitive components of the economy.

Public finances are expected to improve over the forecast horizon, with the fiscal deficit projected to decline from 4.5% of GDP in 2023 to 2.7% by 2027. This improvement is largely due to a gradual reduction in government expenditure as a share of GDP, particularly in relation to subsidies and inflation-mitigation measures. The widening of income tax bands, announced in the 2025 Budget, is expected to lead to lower tax revenues in the short term but will contribute to higher disposable income and consumer spending. The government debt-to-GDP ratio is expected to rise slightly, reaching 50.9% by 2027, mainly due to continued primary deficits and specific fiscal measures such as the transition from Air Malta to KM Malta Airlines which required significant government equity injections.

Despite the overall positive outlook, several risks remain such as geopolitical tensions, potential shifts in global trade policies, and higher-than-expected US tariffs which could pose downside risks to trade and economic activity. Inflationary risks are slightly tilted to the upside, with possible supply-chain disruptions, higher wage pressures, and climate-related factors contributing to potential inflationary shocks. On the fiscal side, the risk of higher-than-expected government expenditure, particularly in the form of additional energy support measures or increased pension and wage commitments, could challenge the ongoing fiscal consolidation process.

Overall, the Maltese economy is expected to continue expanding over the next few years, albeit at a more moderate pace compared to the recent past. Economic fundamentals remain strong, supported by resilient domestic demand, a healthy labour market, and a stable external position.

9. FINANCIAL INFORMATION

The historical financial information of the Issuer is included in the audited consolidated financial statements for the financial years ended 31 December 2021, 31 December 2022, and 31 December 2023. The interim financial information of the Issuer is extracted from the unaudited condensed consolidated financial information for the six-month period ending 30 June 2024.

The said financial statements have been published and are available at the Issuer's website (www.bestdealholdings.com) and are also available for inspection at the Issuer's registered office as set out under the heading "Documents available for inspection" in Section 17 of this Registration Document. The said financial information is incorporated by reference in this Registration Document.

The table below provides a cross-reference list to key sections of the audited consolidated financial statements of the Company for the years ended 31 December 2021, 31 December 2022 and 31 December 2023 and the interim unaudited consolidated financial statements of the Company for the period 1 January 2024 to 30 June 2024.

Best Deal Properties Holding plc	Page number in Audited Consolidated Financial Statements (2021)*	Page number in Audited Consolidated Financial Statements (2022)*	Page number in Audited Consolidated Financial Statements (2023)*	Page number in Interim Consolidated Financial Statements (June 2024)
Statement of Comprehensive Income	n/a	n/a	n/a	3
Statement of Financial Position	n/a	n/a	n/a	4
Statement of Changes in Equity	n/a	n/a	n/a	5
Statement of Cash Flows	n/a	n/a	n/a	6
Notes to the Financial Statements	n/a	n/a	n/a	7-11
Auditor's Report	n/a	n/a	n/a	n/a

* The annual financial reports of the Issuer for 2021, 2022 and 2023 have been prepared in the European Single Electronic Format (ESEF) and therefore do not contain page numbers. The said reports are available through the following links:

(i) https://cdn.borzamalta.com.mt/ESEFAPP//BDPH_20211231_CON_AFR_485100A1WBOSGJKWHT04_20220425151338934/bestdeal-20211231-InlineViewer.xhtml;
(ii) https://cdn.borzamalta.com.mt/ESEFAPP//BDPH_20221231_CON_AFR_485100A1WBOSGJKWHT04_20230417165042749/bestdeal-20221231-InlineViewer.xhtml
(iii) https://cdn.borzamalta.com.mt/ESEFAPP/BDPH_20231231_CON_AFR_485100A1WBOSGJKWHT04_20240426164215780/bestdeal-20231231-InlineViewer.xhtml

Selected Financial Information

The tables and narrative included in this Section 9 contain certain alternative performance measures (as defined by the European Securities and Markets Authority (ESMA)), including earnings before interest, tax, depreciation and amortisation (EBITDA), that the Company's management and other competitors in the industry use. These non-International Financial Reporting Standards financial measures are presented as supplemental information as: (i) they represent measures that the Company believes may be relevant for certain investors, securities analysts and other parties in assessing the BDP Group's operating and financial performance and may contribute to a fuller understanding of the cash generation capacity and the growth of the business; and (ii) they may be used by the Company's management as a basis for strategic planning and forecasting.

Best Deal Properties Holding plc Condensed Consolidated Income Statement					
	for the year ended 31 December			for the 6-mth period ended 30 June	
	2021	2022	2023	2023	2024
	Audited	Audited	Audited	Unaudited	Unaudited
	€'000	€'000	€'000	€'000	€'000
Revenue	20,060	14,055	14,701	5,253	5,598
Cost of sales	(15,603)	(9,908)	(11,802)	(3,759)	(4,194)
Administrative expenses	(595)	(737)	(769)	(311)	(523)
EBITDA	**3,862**	**3,410**	**2,130**	**1,183**	**881**
Depreciation and amortisation	(67)	(72)	(132)	(36)	(1)
Operating profit	**3,795**	**3,338**	**1,998**	**1,147**	**880**
Finance income	30	20	68	-	52
Finance costs	(152)	(277)	(37)	(21)	(15)
Profit before tax	**3,673**	**3,081**	**2,029**	**1,126**	**917**
Taxation	(908)	(543)	(899)	(354)	(432)
Profit for the year	**2,765**	**2,538**	**1,130**	**772**	**485**

In FY2021, the BDP Group derived approximately 57% of its revenue from sales of units forming part of the Zabbar Development and *circa* 34% from Garnet Court. In FY2022, the BDP Group derived its revenues from five development projects – namely those located in Marsascala, Mellieħa, Mqabba, Pembroke, and Żabbar. Most of its revenue in FY2023 was derived from the sale of residential units and garages of the following developments: Żabbar Development amounting to €5.2 million, Mellieha Development amounting to €8.5 million, Pembroke I Development amounting to €0.6 million, and Garnet Court in Mqabba amounting to €0.4 million. In H1 2024, revenues amounted to €5.6 million, reflecting the income derived from the sale of units from the Zabbar Development, Mellieha Development and Pembroke I Development.

Cost of sales comprise site acquisitions, permits, professional fees, health & safety costs, marketing, excavation costs, construction costs, and finishing costs of common parts and apartments, as well as commissions, waiver fees, and capitalised finance costs.

Administrative expenses comprise directors' remuneration, general marketing services, site management services, property administration costs, ongoing listing obligations, audit fees, and professional fees.

Best Deal Properties Holding plc
Condensed Consolidated Statement of Financial Position

	31 Dec'21 Audited €'000	31 Dec'22 Audited €'000	31 Dec'23 Audited €'000	30 Jun'24 Unaudited €'000
ASSETS				
Non-current assets				
Property, plant and equipment	1	1	-	-
Goodwill	43	47	46	45
Deferred tax asset	108	226	225	225
Sinking fund reserve	3,365	5,040	-	-
	3,517	5,314	271	270
Current assets				
Inventories	19,626	26,389	26,114	34,161
Trade and other receivables	1,148	1,524	2,912	1,170
Available-for-sale financial assets	-	-	2,984	4,706
Income tax assets	23	1	-	-
Cash and cash equivalents	247	1,254	1,986	2,897
	21,044	29,168	33,996	42,934
Total assets	**24,561**	**34,482**	**34,267**	**43,204**
EQUITY				
Capital and reserves				
Called up share capital	313	313	313	313
Share premium	938	938	938	938
Shareholders' loans	2,324	2,324	1,150	-
Retained earnings	3,318	5,606	6,486	5,920
	6,893	**9,181**	**8,887**	**7,171**
LIABILITIES				
Non-current liabilities				
Secured bonds	13,296	21,122	14,722	29,362
Borrowings	1,200	1,200	-	-
	14,496	22,322	14,722	29,362
Current liabilities				
Borrowings	660	21	1,200	2,005
Trade and other payables	2,512	2,958	3,414	3,453
Secured bonds	-	-	6,044	1,213
	3,172	2,979	10,658	6,671
	17,668	**25,301**	**25,380**	**36,033**
Total equity and liabilities	**24,561**	**34,482**	**34,267**	**43,204**

As at 31 December 2023, total assets marginally decreased to €34.3 million from €34.5 million in FY2022, with the main movements being the addition of available-for-sale financial assets of €3.0 million, the decrease in sinking fund reserve of €5.0 million, an increase in trade and other receivables of €1.4 million, and an increase in cash and cash equivalents of €0.7 million. Total liabilities also remained constant throughout FY2023 at €25.4 million.

As at 30 June 2024, the Group's asset base amounted to €43.2 million, primarily consisting of inventories from its development projects. Inventories reached €34.2 million as at 30 June 2024, mainly due to the acquisition of the Għadira Site and progress made on the Siggiewi Development. During H1 2024, the Group invested an additional €8.7 million and disposed of €7.0 million of its available-for-sale financial assets, bringing the total as at 30 June 2024 to €4.7 million.

Although accumulated profits have increased by €0.9 million in FY2023, total equity decreased to €8.9 million on account of the repayment of a €1.2 million loan listed under other equity. As at 30 June 2024, total equity further decreased to €7.2 million, mainly due to the repayment of the shareholder's loan classified as other equity, amounting to €1.2 million, and the payment of an interim dividend amounting to €1.1 million.

Best Deal Properties Holding plc
Condensed Consolidated Cash Flow Statement

	for the year ended 31 December			for the 6-mth period ended 30 June	
	2021	2022	2023	2023	2024
	Audited	Audited	Audited	Unaudited	Unaudited
	€'000	€'000	€'000	€'000	€'000
Net cash from (used in) operating activities	7,134	(3,881)	625	3,624	(6,082)
Net cash from (used in) investing activities	(2,490)	(1,680)	2,056	(3,655)	(519)
Net cash from (used in) financing activities	(4,835)	6,568	(1,949)	(367)	7,512
Net movement in cash and cash equivalents	**(191)**	**1,007**	**732**	**(398)**	**911**
Cash and cash equivalents at beginning of year/period	438	247	1,254	1,254	1,986
Cash and cash equivalents at end of year/period	**247**	**1,254**	**1,986**	**856**	**2,897**

In FY2021, the Group increased the pace at which it reduced its indebtedness. Cash generated from operating activities amounted to €7.1 million, mainly on account of significant reductions in inventories. During the year, the Group made bank loan repayments amounting to €2.8 million, repurchased €1.8 million worth of its 2018 Bonds and transferred a further €2.5 million into the sinking fund reserve.

In FY2022, net movement in cash and cash equivalents amounted to €1.0 million. Net cash outflows from operating activities amounted to €3.9 million, which was mainly impacted by the €6.8 million increase in inventories. Net cash used in investing activities stood at €1.7 million and largely represented amounts paid into the sinking fund reserve. The net cash from financing activities amounted to €6.6 million, which was mostly made up of proceeds from the issue of the 2022 Bonds, and repayments of short-term borrowings.

In FY2023, the Group generated further net cash of €0.7 million. Net cash used in financing activities amounted to €1.9 million as the Group repaid €1.2 million related party loans and bought back €0.5 million in bonds. The Group generated €2.1 million net cash from investing activities, mainly attributable to a decrease in sinking fund reserve of €5 million accompanied by the purchase of a fixed asset investment of €8.6 million and a subsequent sale of €5.6 million.

In H1 2024, net movement in cash and cash equivalents amounted to €0.9 million. Net cash outflows from operating activities amounted to €6.1 million mainly pertaining to the progress being made in the Siggiewi Development and the acquisition of the Għadira Site. Similarly, net cash used in investing activities amounted to €0.5 million representing the net investment in treasury bills and payments made to the sinking fund. Cash generated from financing activities in H1 2024 amounted to €7.5 million, which includes the €15.0 million 2024 Bonds issued in March 2024. During this period the Group has also repurchased €4.8 million in bonds, has repaid a €1.2 million shareholder's loan, and an interim dividend amounting to €1.1 million was paid in H1 2024.

10. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

10.1 Board of Directors of the Issuer

The Issuer is currently managed by a Board consisting of eight Directors entrusted with its overall direction and management. As at the date of this Registration Document, the Board of the Issuer is composed of the individuals listed in Section 5.1.1 of this Registration Document.

The Board of Directors of the Issuer currently consists of five executive Directors and three non-executive Directors.

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

Name: **Christopher Attard** (Executive Director)

Christopher Attard has been involved in the property industry for over 30 years as a property developer in his own name and also through various involvements with other partners. In 2011, he founded Best Deal Properties Limited, with the aim of developing energy efficient properties having high quality finishes tailor-made to customer requirements. The Best Deal brand presently incorporates various development projects under different companies in which Mr Attard is involved as shareholder and director. Apart from property development, Mr Attard has been involved over the years in other business ventures, including the catering sector.

Name: **Pierre Bartolo** (Executive Director)

Pierre Bartolo is a former co-owner and Chief Operations Officer of Buttigieg Holdings Ltd. During his 27 years with the company (prior to the sale of Buttigieg Holdings Ltd to International Hotel Investments p.l.c. in 2016), Mr Bartolo was involved in all aspects of operations and management and thus directly contributed to the growth of Buttigieg Holdings Ltd within the catering industry. In particular, his involvement with the company included negotiating private sector and government tenders and opening a number of restaurants and other catering establishments across Malta. Mr Bartolo is now actively involved in the property development industry through his shareholding in the BDP Group.

Name: **David Basile** (Executive Director)

David Basile Cherubino has a financial and commercial background with University degrees in economics (B.Com (Hons)), accountancy (B. Accty (Hons)) and a Master's in Business Administration (MBA). He worked for several years with PricewaterhouseCoopers (PWC) in the tax and audit department, before joining his family's group of businesses, the Cherubino Group. As Chief Executive Officer of the Cherubino Group, Mr Basile is actively involved in various areas of economic activity both locally and overseas, including manufacturing, distribution, retail, property and investments across various industries. Mr Basile holds a number of directorships in both private and public listed companies.

Name: **Robert Buttigieg** (Executive Director and Compliance Officer)

Robert Buttigieg graduated in 2009 and holds a Doctor of Laws (LL.D.) from the University of Malta. After working as a lawyer, focusing mainly on corporate law, for over three years, he decided to go back to the family catering business – Buttigieg Holdings Ltd. In 2012 the company brought the first international coffee franchise, COSTA Coffee, to Malta. Dr Buttigieg oversaw the opening of eleven COSTA Coffee stores in Malta and sixteen COSTA Coffee stores in Spain. After the acquisition of Buttigieg Holdings Ltd by International Hotel Investments p.l.c. in 2016, Dr Buttigieg turned his focus to property development and today he is the Chief Executive Officer of R.J.C. Operations Ltd, a company involved in property rental and development. Dr Buttigieg is a shareholder of R.C.J. Investments Limited, which is a shareholder in the Issuer.

Name: **Erskine Vella** (Executive Director)

Erskine Vella was appointed a director of Best Deal Properties Limited from its inception in 2011, after spending 14 years in the real estate business as an estate agent. His extensive experience in sales and marketing in the property sector has contributed to developing the Best Deal Properties brand locally, which resulted in the expansion of the company's client base and also led to a number of third party investors to partner with Best Deal Properties to develop various projects. Best Deal Properties is currently involved in a number of development projects in Malta through different companies in which Mr Vella is a shareholder and director.

Name: **James Bullock** (Chairman, Non-Executive Director)

James Bullock has had a distinguished career in banking spanning over 42 years. The 40-year relationship with HSBC Bank Malta plc (formerly Mid-Med Bank) saw him occupy senior manager roles, which included Area Commercial Manager of the Valletta Commercial Centre, Deputy Head of Corporate Branch and Head of Commercial Real Estate. Thereafter he moved to FIMBank plc as Vice President utilising his expertise, experience and deep-rooted business connections in the successful launch and growth of the Real Estate division. Mr Bullock has extensive commercial banking experience both in customer facing and Head Office Risk assessment roles and has acquired a strong specialised knowledge of the local property sector. He is an Associate of the UK Chartered Institute of Bankers (now the London Institute of Banking and Finance) and attended various prestigious senior manager courses overseas including Cambridge University, Brickett Wood, Canary Wharf and Hong Kong.

Name: **Mario P Galea** (Independent Non-Executive Director)

Mario P. Galea is a certified public accountant and auditor holding a warrant to practice both as an accountant and an auditor. Mr Mario currently practices as a business adviser providing oversight and advisory services to businesses and corporations and serves as an independent non-executive director on the boards and audit committees of various domestic listed companies in the financial and commercial sectors. Mr Galea was founder, managing partner and chairman of Ernst & Young in Malta for more than ten years until his retirement in 2012 and saw the successful introduction and growth of the local firm into a recognised and respected presence in the market. Mr Galea specialised in auditing and assurance, which he practiced for 35 years in Malta and overseas. Mr Galea has lectured in auditing, assurance and professional and business ethics, led several training courses and spoke at various business and professional conferences in Malta and abroad. Mr Galea has also assisted businesses in several areas particularly relating to governance, accounting and systems of control. Amongst a number of other appointments, he served as president of the Malta Institute of Accountants and for many years formed part of the Accountancy Board which is the accountancy profession regulator in Malta. He has served on various professional committees in Malta and abroad, such as the council of the Federation des Experts Comptables (FEE) in Brussels (now Accountancy Europe). He continues to form part of the Ethics committee of the Malta Institute of Accountants.

Name: **Maria Carmela sive Marlene Seychell** (Independent Non-Executive Director)

Marlene Seychell's career has traversed the public and private sectors, having occupied leadership positions in various public entities. Ms Seychell's strengths lie in various high-level disciplines including strategic planning, communication, management, consultation and cutting-edge thought leadership. She is renowned for her entrepreneurial skills which led to the success of numerous companies and organisations in the private sector. Marlene Seychell has 35 years' experience in the fashion retail industry. Ms Seychell started her own fashion retail business in the UK in 1984, trading two Benetton stores. In 1997 she opened a first Miss Selfridge store in Malta. Under her guidance, the business grew rapidly throughout the Maltese Islands representing internationally renowned brands. In her role, Ms Seychell provided leading cutting-edge thinking, sought market opportunities and led the development and implementation of the overall strategy, overseeing operational execution of the brand strategies and maintenance of brand integrity, whilst also focusing on key objectives with the principle aim of driving bottom line sales and improving the overall commercial operation of the business. Over the years, Ms Seychell has built and maintained excellent relationships with the international franchisors she represented, both at board and operational level. Ms Seychell was also the Chairperson of the Malta Gaming Authority between 2018 to 2019. Ms Seychell is currently also operating her own diversified business portfolio.

10.2 Management Structure

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

10.3 Conflicts of Interest

As at the date of this Registration Document, each of the five Executive Directors of the Issuer are officers of several companies within the Group. Christopher Attard, Pierre Bartolo, David Basile, Robert Buttigieg and Erskine Vella are directors of the Issuer, Best Deal Estates Limited, Best Deal Ghadira Limited and Best Deal Paola Limited. Christopher Attard, Pierre Bartolo, Robert Buttigieg and Erskine Vella are also directors of PJCE Properties Limited and Best Deal Developments Limited. In view of the foregoing, such directors are susceptible to conflicts between the potentially diverging interests of the Issuer, and any of such other BDP Group companies in transactions entered into, or proposed to be entered into, between them.

The said executive Directors of the Issuer, or any of them, are or may in future be involved, as shareholders, beneficial owners, directors, officers or otherwise in business or in entities outside the BDP Group carrying out business which may be similar to or even competing with the business of the BDP Group, including property development, or in entities supplying works, goods or services to or otherwise carrying out transactions with any BDP Group company. Such involvements may create conflicts between the potentially diverging interests of the Issuer, and any of such other BDP Group companies on the one hand and the private interests of the said Directors of the Issuer and, or the interests of the entities outside the BDP Group in which such directors are or may be involved as aforesaid.

The said five Executive Directors are also the ultimate beneficial shareholders of the Issuer.

The independent non-executive Directors of the Issuer have the task of ensuring that any potential conflicts of interest that may arise at any moment pursuant to these different roles held by the above-mentioned directors are handled in the best interest of the Issuer and according to law. The independent non-executive Directors will also be tasked to ensure that transactions vetted by the Board of Directors 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 Capital Markets 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 BDP 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.

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 private interests and, or their duties which require disclosure in terms of the Prospectus Regulation.

10.4 Working Capital

As at the date of this Registration Document, the Directors of the Issuer are of the opinion that working capital available to the Issuer is sufficient for the attainment of its objects and the carrying out of its business for the next 12 months of operations. In providing said working capital statement, the Issuer confirms that the proceeds of the Bond Issue have been included in the calculation of its working capital.

11. BOARD PRACTICES

11.1 Audit Committee

The Audit Committee's primary objective is to assist the Board of the Issuer in fulfilling its oversight responsibilities over the financial reporting processes, financial policies and internal control structure. The Audit Committee oversees the conduct of the external audit and acts to facilitate communication between the Board, management and the external auditors. The internal and external auditors are invited to attend the Audit Committee meetings. The Audit Committee reports directly to the Board of Directors. The Audit Committee, which meets at least once every three months, is a committee of the Board and is directly responsible and accountable to the Board. The Board reserves the right to change the Audit Committee's terms of reference from time to time.

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

Briefly, the Audit Committee is expected to deal with and advise the Board on: (a) its monitoring responsibility over the financial reporting processes, financial policies and internal control structures; (b) maintaining communications on such matters between the Board, management and the independent auditors; (c) facilitating the independence of the external audit process and addressing issues arising from the audit process; and (d) preserving the Issuer's assets by understanding the Issuer's risk environment and determining how to deal with those risks.

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

The Audit Committee is made up entirely of non-executive Directors, two of whom are independent of the Issuer, and who are appointed for a period of three years. Mario P. Galea, an independent, non-executive Director of the Issuer, acts as Chairman, whilst James Bullock and Marlene Seychell act as members. In compliance with the Capital Markets Rules, Mario P. Galea is considered to be the member 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.

11.2 Compliance with Corporate Governance Requirements

As a consequence of the issue of the 2018 Bonds, the 2022 Bonds, the 2024 Bonds and the forthcoming Bond Issue and in accordance with the terms of the Capital Markets Rules, the Issuer is required to endeavour to adopt and comply with the provisions of the Code of Principles of Good Corporate Governance forming part of the Capital Markets Rules (the "**Code**").

The Issuer declares its full support of the Code and undertakes to continue to comply with the Code to the extent that this is considered complementary to the size, nature and operations of the Issuer. The Issuer supports the Code and believes that its application results in positive effects accruing to the Issuer.

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

i. Principle 2 "Chairman and Chief Executive Officer"

The Company has no employees nor a Chief Executive Officer.

The Board is responsible for the management of the Company. The Chairman exercises independent judgement and is responsible to lead the Board and set its agenda, whilst also ensuring that the directors receive precise, timely and objective information so that they can take sound decisions and effectively monitor the performance of the Company. The Chairman is also responsible for ensuring effective communication with the shareholders and encouraging active engagement by all members of the Board for discussion of complex or contentious issues.

ii. Principle 7 "Evaluation of the Board's Performance"

Under the present circumstances, the Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the Board's performance is evaluated on an ongoing basis by, and is subject to the constant scrutiny of, the Board itself, the Company's shareholders, the market and the rules by which the Issuer is regulated as a listed company.

iii. Principle 8 "Committees"

- The Issuer does not have a Remuneration Committee as recommended in Principle 8; and
- The Issuer does not have a Nomination Committee as recommended in Principle 8.

The Board considers that the size and operations of the Issuer do not warrant the setting up of remuneration and nomination committees. In particular, the Board itself carries out the functions of the remuneration committee. The Board has established a fixed remuneration for directors which is not performance related and this has been approved by the shareholders.

Furthermore, the Issuer does not believe it is necessary to establish a nomination committee as appointments to the Board of Directors are determined by the shareholders of the Company in accordance with the Memorandum and Articles of Association of the Issuer. The Issuer considers that the current members of the Board provide the required level of skill, knowledge and experience expected in terms of the Code.

12. LITIGATION

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 12 months prior to the date of this Registration Document which may have, or have had in the recent past significant effects on the financial position or profitability of the Issuer and, or the BDP Group, taken as a whole.

13. ADDITIONAL INFORMATION

13.1 Share Capital of the Issuer

The authorised share capital of the Issuer is three hundred fifty thousand Euro (€350,000) divided into three million five hundred thousand (3,500,000) Ordinary Shares of ten Euro cents (€0.10) each.

The issued share capital of the Issuer is three hundred twelve thousand five hundred Euro (€312,500) divided into three million one hundred twenty-five thousand (3,125,000) Ordinary Shares of ten Euro cents (€0.10) each, fully paid up.

The Company's issued share capital is subscribed equally by Christopher Attard, Erskine Vella, Pierre Bartolo, RCJ Investments Limited (C 88743) and C Developments Limited (C 92485). The Issuer adopts measures in line with the Code to ensure that the relationship of the Issuer and its shareholders are retained at arm's length, including adherence to rules on related party transactions set out in Chapter 5 of the Capital Markets Rules requiring the vetting and approval of any related party transaction by the Audit Committee, which is constituted by the non-executive Directors of the Issuer (the majority of whom are independent).

The shares of the Issuer are presently listed on Prospects MTF.

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

13.2 Memorandum and Articles of Association of the Issuer

The Memorandum and Articles of Association of the Issuer are registered with the Malta Business Registry. The principal objects of the Issuer are: (a) to carry on the business of a finance company; (b) to acquire, by any title whatsoever, and to take on lease or sub-lease, and to dispose by any title whatsoever, grant and, or lease or sub-lease and hold property of any kind, whether movable or immovable. Clause 3 of the Memorandum of Association contains the full list of objects of the Issuer. A copy of the Memorandum and Articles of Association of the Issuer (a copy of which is available for inspection as described in Section 17 below) may be inspected at the Malta Business Registry during the lifetime of the Company.

14. MATERIAL CONTRACTS

The Issuer (as lender) shall enter into the Loan Agreement with Best Deal Paola Limited (as borrower) pursuant to which the Issuer shall advance to Best Deal Paola Limited by title of loan the net proceeds of the Bond Issue in an amount of approximately €4,500,000 and in terms of which Loan Agreement interest on the loan amount shall be payable annually in arrears at the rate of 8% per annum. Best Deal Paola Limited shall bind itself to repay the loan in full once all the inventory is sold. The terms and conditions of the Loan Agreement are subject to and conditional to the Bonds being admitted to the Official List of the MSE.

Save for the Loan Agreement described above, the Issuer has not entered into any material contracts that are not in the ordinary course of its business which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to security holders in respect of the Bonds, as such securities are issued pursuant to, and described in, the Securities Note.

15. PROPERTY VALUATION REPORT

The Issuer commissioned TBA Periti to issue a property valuation report in relation to the Paola Site and the Paola Development. The business address of TBA Periti is No. 43, Main Street, Balzan BZN 1259, Malta.

Capital Markets Rule 7.4.3 provides that property valuations to be included in a prospectus must not be dated (or be effective from) more than 60 days prior to the date of publication of the prospectus. The valuation report is dated 12 February 2025. A copy of the report compiled by TBA Periti, is accessible on the Issuer's website at the following hyperlink: https://bestdealholdings.com/company-documents/ and is deemed to be incorporated by reference in this Prospectus. A copy thereof shall also be available for inspection at the registered address of the Issuer for the duration period of this Registration Document.

16. THIRD PARTY INFORMATION STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Save for the Property Valuation Report incorporated by reference in this Prospectus, the Prospectus does not contain any statement or report attributed to any person as an expert.

The Property Valuation Report has been included in the form and context in which it appears with the authorisation of TBA Periti, of No. 43, Main Street, Balzan BZN 1259, Malta, that has given and has not withdrawn its consent to the inclusion of its report herein.

TBA Periti does not have any material interest in the Issuer. The Issuer confirms that the Property Valuation Report has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from the information contained therein, no facts have been omitted which render the reproduced information inaccurate or misleading.

The sourced information contained in Section 8 of this Registration Document has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the published information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

17. DOCUMENTS AVAILABLE FOR INSPECTION AND INCORPORATED BY REFERENCE

For the duration period of this Registration Document the following documents shall be available for inspection at the registered address of the Issuer and also on the Issuer's website (through the following link: https://bestdealholdings.com/company-documents/) and are incorporated by reference:

a) Memorandum and Articles of Association of the Issuer;

b) Audited consolidated financial statements of the Issuer for the three financial years ended 31 December 2021, 31 December 2022 and 31 December 2023;

c) Interim unaudited financial results of the Issuer for the six months ended 30 June 2024;

d) Property Valuation Report dated 12 February 2025 in respect of the Paola Site and the Paola Development;

e) Services Agreement entered into between Best Deal Properties Limited and Best Deal Paola Limited, dated 4 September 2024:

f) The Loan Agreement; and

g) The Financial Analysis Summary.

SECURITIES NOTE

Dated 14 February 2025

This document is a Securities Note issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules published by the Malta Financial Services Authority and of the Prospectus Regulation. This Securities Note is issued pursuant to the requirements of Rule 4.14 of the Capital Markets Rules and contains information about the Bonds. Application has been made for the admission to listing of the Bonds on the Official List of the Malta Stock Exchange. 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 €7 million 5.35% unsecured Bonds 2032

of a nominal value of €100 per Bond issued at par by

BEST DEAL PROPERTIES HOLDING P.L.C.

a public limited liability company registered in Malta
with company registration number C 88974

ISIN: MT0002121235

Legal Counsel ZammitPace

Sponsor, Manager & Registrar MZ INVESTMENTS

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

THE MFSA 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 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 FINANCIAL ADVISER.

Approved by the Directors

Christopher Attard **Pierre Bartolo**

signing in their own capacity as directors of the Company and for and on behalf of each of Robert Buttigieg, David Basile, Erskine Vella, James Bullock, Mario P Galea and Marlene Seychell

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1. IMPORTANT INFORMATION

THIS SECURITIES NOTE CONSTITUTES PART OF THE PROSPECTUS DATED 14 FEBRUARY 2025 AND CONTAINS INFORMATION ON BEST DEAL PROPERTIES HOLDING P.L.C. IN ITS CAPACITY AS ISSUER AND ABOUT THE BONDS IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE COMPANIES ACT (CHAPTER 386 OF THE LAWS OF MALTA) 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 BONDS ARE ISSUED BY THE ISSUER AND ACQUIRED BY A BONDHOLDER, WHICH TERMS SHALL REMAIN BINDING UNTIL THE REDEMPTION DATE OF THE BONDS, UNLESS THEY ARE OTHERWISE CHANGED IN ACCORDANCE WITH THE TERMS OF THIS SECURITIES NOTE.

THE INFORMATION CONTAINED HEREIN IS BEING MADE AVAILABLE IN CONNECTION WITH AN ISSUE BY THE COMPANY OF A MAXIMUM OF €7 MILLION BONDS 2032 OF NOMINAL VALUE OF €100 EACH. THE BONDS SHALL BE ISSUED AT PAR AND BEAR INTEREST AT THE RATE OF 5.35% PER ANNUM PAYABLE ANNUALLY IN ARREARS ON 21 FEBRUARY OF EACH YEAR UNTIL THE REDEMPTION DATE, WITH THE FIRST INTEREST PAYMENT FALLING DUE ON 21 FEBRUARY 2026. THE NOMINAL VALUE OF THE BONDS WILL BE REPAYABLE IN FULL AT MATURITY ON 21 FEBRUARY 2032.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, OR ITS RESPECTIVE DIRECTORS, TO PUBLISH OR ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE ISSUER, AND, OR THE SECURITIES OF THE ISSUER OTHER THAN THOSE CONTAINED IN THE PROSPECTUS AND IN THE DOCUMENTS REFERRED TO THEREIN, AND IF PUBLISHED, ISSUED, GIVEN OR MADE, SUCH ADVERTISEMENT, INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, OR ITS RESPECTIVE DIRECTORS OR ADVISERS.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS SECURITIES NOTE, 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 THIS SECURITIES NOTE.

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 BONDS MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER 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 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 PROFESSIONAL ADVISERS AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE BONDS AND THE PROSPECTUS.

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

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN 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. ACCORDINGLY, NO SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THE PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THE PROSPECTUS OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

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

ALL THE ADVISERS TO THE ISSUER NAMED UNDER THE HEADING "ADVISERS" IN SECTION 5.2 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

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

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

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITES (IF ANY) OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITES 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 WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN ANY SECURITIES ISSUED BY THE ISSUER.

THE VALUE OF INVESTMENTS CAN FALL AS WELL AS RISE, AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS.

2. DEFINITIONS

Capitalised words and expressions used in this Securities Note and which are defined in the Registration Document forming part of the Prospectus shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning herein as the meaning given to such words and expressions in the Registration Document. Furthermore, in this Securities Note the following words and expressions shall bear the following meanings except where otherwise expressly stated or where the context otherwise requires:

Admission	Admission of the Bonds to the Official List and to trading on the main market for listed securities of the MSE becoming effective in accordance with the Capital Markets Rules and the MSE Bye-Laws;
Applicant(s)	A person or persons (in the case of joint applicants) who subscribe(s) for the Bonds through the Authorised Financial Intermediaries;
Application(s)	The application to subscribe for Bonds made by an Applicant through the Authorised Financial Intermediaries;
Authorised Financial Intermediaries	The licensed financial intermediaries whose details appear in Annex I of this Securities Note;
Business Day	Any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
CET	Central European Time;
Civil Code	The Civil Code (Chapter 16 of the laws of Malta);
CSD	The Central Securities Depository of the Malta Stock Exchange having its address at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Interest Payment Date	21 February of each year between and including the years 2026 and 2032 provided that if any such day is not a Business Day such Interest Payment Date shall be carried forward to the next following day that is a Business Day;
Intermediaries Offer	An offer for subscription of Bonds made by the Issuer to the Authorised Financial Intermediaries through subscription agreements, as further detailed in Section 6.3 of this Securities Note;
Issue Date	27 February 2025;
MIFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/ EU (recast);
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;
Offer Period	The period between 08.30 hours on 17 February 2025 and 14.00 hours on 21 February 2025;
Official List	The list prepared and published by the Malta Stock Exchange as its official list in accordance with the MSE Bye-Laws;
Redemption Date	21 February 2032 ;
Redemption Value	The nominal value of each Bond (€100 per Bond);
Terms and Conditions	The terms and conditions of the Bonds set out in Sections 5.4, 6 and 8 of this Securities Note.

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 also 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 references to a person include natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
e) any phrase introduced by the term "including", "include", "in particular" or any similar expression is illustrative only and does not limit the sense of the words preceding the term; and
f) any references 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 issue of this Securities Note.

3. RISK FACTORS

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

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

AN INVESTMENT IN THE BONDS INVOLVES CERTAIN RISKS INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE BONDS. 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 CONTINGENCY OCCURING.

THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR THAT THE DIRECTORS OF THE ISSUER HAVE ASSESSED TO BE, AT THE DATE OF THIS SECURITIES NOTE, THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS OF THE ISSUER HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT A RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER AND ITS SECURITIES IF SUCH RISK FACTOR WERE TO MATERIALISE.

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 BDP GROUP 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 BONDS AND REPAYMENT OF PRINCIPAL WHEN DUE.

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 SPONSOR OR AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER.

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

3.1 Forward-looking Statements

This Securities Note contains statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, such as the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout the Prospectus, and documents incorporated therein by reference, and include statements regarding the intentions, beliefs or current expectations of the Issuer and, or the Directors concerning, amongst other things, the Issuer's strategy and business plans, capital requirements, results of operations, financial condition, liquidity, prospects, the markets in which it operates and general market conditions.

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

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

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

3.2 Risks Relating to the Bonds

An investment in the Bond includes certain risks including but not limited to the following:

3.2.1 Subsequent changes in interest rates and potential impact on inflation

The Bonds shall carry a fixed interest rate. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The price of fixed rate bonds should, theoretically, be adversely impacted if interest rates increase above the level of the interest paid on the said bond. In an economic scenario where prevailing market interest rates are rising, the prices of fixed rate bonds decline and conversely, if market interest rates are declining, the prices of fixed rate bonds tend to rise. This is part of the market risk inherent in financial instruments but it is only crystallised if a Bondholder decides to sell the Bonds before maturity on the secondary market, since on maturity, a Bondholder will still be entitled to receive the face value of the Bonds.

The coupon payable on the Bonds is a nominal interest rate. The real interest rate is computed by subtracting inflation from the nominal interest rate, the result of which indicates the real return on the Bond coupons. In a period of high inflation, an investor's real return on the Bonds will be lower than the Bonds' nominal interest rate and thus undermine an investor's expected return. Furthermore, an increase in inflation may result in a decrease in the traded price of the Bonds on the secondary market.

3.2.2 No prior market for the Bonds

Prior to the Bond Issue and Admission, there has been no public market for the Bonds within or outside Malta. Due to the absence of any prior market for the Bonds, there can be no assurance that the price of the Bonds will correspond to the price at which the Bonds will trade in the market subsequent to the Bond Issue. The market price of the Bonds could be subject to significant fluctuations in response to numerous factors, including the occurrence of any of the risk factors identified in Section 3 of the Registration Document.

3.2.3 Orderly and liquid secondary market

The existence of an orderly and liquid market for the Bonds depends on a number of factors, including, but not limited to, the presence of willing buyers and sellers of the Bonds at any given time and the general economic conditions in the market in which the Bonds are traded. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to trade in the Bonds at, or above, the Bond Issue Price or at all.

3.2.4 Future public offers

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

3.2.5 Currency of reference

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

3.2.6 Changes in law

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

3.2.7 Amendments to the Terms and Conditions of the Bonds

In the event that the Issuer wishes to amend any of the Terms and Conditions of the Bonds it may call a meeting of Bondholders in accordance with the provisions of Section 6.15 of this Securities Note. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

3.2.8 No independent credit rating of the Bonds has been sought

The Issuer has not sought, nor does it intend to seek, the credit rating of an independent rating agency and there has been no assessment by any independent rating agency of the Bonds.

3.2.9 Absence of sinking fund provision

No sinking fund will be established in connection with this Bond Issue for the benefit of Bondholders. A sinking fund is typically established to allow an issuer to periodically allocate funds from available profits during the term of a bond to set aside a reserve for the repayment of the outstanding nominal value of bonds at maturity, thereby mitigating the risk of default by the issuer.

In the absence of a sinking fund, the timely repayment of the outstanding nominal value of the Bonds on the Redemption Date will be contingent upon the Issuer's financial condition at that time. Should the Issuer experience financial challenges or liquidity constraints, Bondholders may therefore be exposed to an increased risk of delay or non-payment at maturity.

4. PERSONS RESPONSIBLE AND STATEMENT OF APPROVAL

This document includes information given in compliance with the Prospectus Regulation for the purpose of providing prospective investors with information with regards to the Bonds. All of the Directors, whose names appear in Section 5.1.1 of the Registration Document entitled "Directors of the Issuer" accept responsibility for the information contained in this Securities Note.

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 Securities Note is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

All representations and other statements made in the Prospectus are made by the Issuer, and the Directors take sole responsibility for all such representations and statements. The Sponsor, Manager & Registrar, and the Issuer's advisers have advised and assisted the Issuer in the preparation of this document, but none make any representation or statement, unless otherwise expressly stated in the Prospectus, and each of them disclaims any responsibility for any representations and other statements made in the Prospectus.

4.1 Consent for Use of the Prospectus

Consent required in connection with the use of the Prospectus by the Authorised Financial Intermediaries

For the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries in terms of this Securities Note and any subsequent resale, placement or other offering of the Bonds by such Authorised Financial Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Regulation, the Issuer consents to the use of this Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale or placement or other offering of Bonds, provided this is limited only:

(i) in respect of Bonds subscribed for through the Authorised Financial Intermediaries pursuant to the Intermediaries Offer;
(ii) to any resale or placement of Bonds subscribed for as aforesaid, taking place in Malta; and
(iii) to any resale or placement of Bonds subscribed for as aforesaid, taking place within the period of 60 days from the date of the Prospectus.

None of the Issuer, the Sponsor, Manager & Registrar or any of their respective advisers take any responsibility for any of the actions of any of the Authorised Financial Intermediaries, including their compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to a resale or placement of the Bonds.

Other than as set out above, neither the Issuer nor the Sponsor, Manager & Registrar has authorised (nor do they authorise or consent to the use of this Prospectus in connection with) the making of any public offer of the Bonds by any person in any circumstance. Any such unauthorised offers are not made on behalf of the Issuer or the Sponsor, Manager & Registrar and neither the Issuer nor the Sponsor, Manager & Registrar has any responsibility or liability for the actions of any person making such offers.

No person has been authorised to give any information or to make any representation not contained in or inconsistent with this Prospectus. If given or made, it must not be relied upon as having been authorised by the Issuer or Sponsor, Manager & Registrar. The Issuer does not accept responsibility for any information not contained in this Prospectus.

Investors should enquire whether an intermediary is considered to be one of the Authorised Financial Intermediaries in terms of the Prospectus. If the investor is in doubt as to whether it can rely on the Prospectus and, or who is responsible for its contents, it should obtain legal advice.

In the event of a resale, placement or other offering of Bonds by Authorised Financial Intermediaries, the Authorised Financial Intermediaries shall provide investors with information on the terms and conditions of the resale, placement, or other offering at the time such is made.

Any resale, placement, or other offering of Bonds to an investor by any of the Authorised Financial Intermediaries shall be made in accordance with any terms and other arrangements in place between such Authorised Financial Intermediary and such investor including as to price, allocations, and settlement arrangements. Where such information is not contained in the Prospectus, it shall be the responsibility of the respective Authorised Financial Intermediary at the time of such resale, placement, or other offering to provide the investor with that information.

All the Authorised Financial Intermediaries using this Prospectus in connection with a resale, placement, or other offering of Bonds subsequent to the Bond Issue 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 this Prospectus for such resale, placement, or other offering 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.

Any new information with respect to the Authorised Financial Intermediaries unknown at the time of approval of this Securities Note shall be made available through a company announcement, which shall also be made available on the Issuer's website: www.bestdealholdings.com.

4.2 Statement of Authorisation

This Securities Note has been approved by the MFSA as the competent authority under the Prospectus Regulation. The MFSA 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 Bonds.

5. ESSENTIAL INFORMATION

5.1 Reasons for the Issue and Use of Proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €6.7 million, will be used for the following purposes:

(i) an amount of up to €4.5 million for the purposes of excavating, developing, constructing and completing the Paola Development; and
(ii) the remaining amount of €2.2 million to be used for the BDP Group's general corporate funding purposes.

The issue and allotment of the Bonds is conditional upon the Bond Issue being fully subscribed and the Bond Issue being fully subscribed and confirmation of admission of the Bonds to the Official List.

5.2 Funding from Other Sources

Best Deal Paola Limited requires approximately €4.5 million to develop and complete the Paola Development. Accordingly, the amount of €4.5 million from the net proceeds of the Bond Issue to be received by the Issuer shall be on-lent to Best Deal Paola Limited to excavate the Paola Site, construct, develop and complete the Paola Development.

5.3 Expenses

Professional fees, and costs related to publicity, advertising, printing, listing, registration, sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €300,000. There is no particular order of priority with respect to such expenses.

5.4 Issue Statistics

Amount	€7,000,000;
Form	the Bonds shall be issued in fully registered and dematerialised form and shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD;
Denomination	Euro (€);
ISIN	MT0002121235;
Minimum amount per subscription	minimum of €2,000 and multiples of €100 thereafter;
Redemption Date	21 February 2032;
Plan of Distribution	the Bonds are open for subscription by the Authorised Financial Intermediaries (either for their own account or for the account of their underlying clients) pursuant to the Intermediaries Offer;
Bond Issue Price	at par (€100 per Bond);
Status of the Bonds	the Bonds shall be unsecured and shall constitute the general, direct, unsecured and unconditional obligations of the Issuer and shall always rank *pari passu* and without any priority or preference among themselves;
Listing	the Malta Financial Services Authority has approved the Bonds for admissibility to listing and subsequent trading on the Official List of the Malta Stock Exchange. Application has been made to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List;
Allocation	Applicants may apply for Bonds through the Authorised Financial Intermediaries during the Offer Period;
Offer Period	the period between 08:30 hours CET on 17 February 2025 and 14:00 hours CET on 21 February 2025 during which the Bonds are available for subscription;
Interest	5.35% per annum;
Interest Payment Date(s)	annually on 21 February as from 21 February 2026 (the first interest payment date);
Governing Law of Bonds	the Bonds are governed by and shall be construed in accordance with Maltese law;
Jurisdiction	the Maltese Courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds.

5.5 Interest of Natural and Legal Persons Involved in the Bond Issue

Save for the subscription of the Bonds by Authorised Financial Intermediaries (which include the Sponsor, Manager & Registrar), and any fees payable in connection with the Bond Issue to M.Z. Investment Services Ltd (in its capacity as Sponsor, Registrar & Manager), so far as the Issuer is aware no person involved in the Bond Issue has an interest material to the Bond Issue.

5.6 Expected Timetable of Principal Events

Offer Period	17 February 2025 to 21 February 2025
Commencement of interest on the Bonds	21 February 2025
Expected date of announcement of basis of acceptance	24 February 2025
Refunds of unallocated monies (if any)	24 February 2025
Expected dispatch of allotment advices	27 February 2025
Expected date of admission of the securities to listing	27 February 2025
Expected date of commencement of trading in the securities	28 February 2025

6. INFORMATION CONCERNING THE BONDS

Each Bond shall be issued on the terms and conditions set out in this Securities Note and, by subscribing to or otherwise acquiring the Bonds, the Bondholders are deemed to have knowledge of all the terms and conditions of the Bonds hereafter described and to accept and be bound by the said terms and conditions.

6.1 General

6.1.1 Each Bond forms part of a duly authorised issue of 5.35% Bonds 2032 of a nominal value of €100 per Bond issued by the Issuer at par up to the principal amount of €7,000,000 (except as otherwise provided under Section 6.14 "Further Issues").

6.1.2 The Issue Date of the Bonds is 27 February 2025.

6.1.3 The currency of the Bonds is Euro (€).

6.1.4 The Bonds shall bear interest at the rate of 5.35% per annum payable annually in arrears on 21 February of each year, with the first interest payment falling due on 21 February 2026 and covering the period between 21 February 2025 to 20 February 2026. 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.

6.1.5 Subject to admission to listing of the Bonds to the Official List of the MSE, the Bonds shall be assigned ISIN: MT0002121235.

6.1.6 Unless previously re-purchased and cancelled, the Bonds shall be redeemable at par on the Redemption Date.

6.1.7 The minimum subscription amount of Bonds that can be subscribed for by Applicants upon subscription is €2,000, and in multiples of €100 thereafter.

6.1.8 The issue of the Bonds is made in accordance with the requirements of the Capital Markets Rules, the Act, and the Prospectus Regulation.

6.1.9 The Bond Issue is not underwritten.

6.1.10 The Bond Issue is not secured.

6.1.11 The Bond Issue is not guaranteed.

6.1.12 There are no special rights attached to the Bonds other than to the payment of capital and interest and as specified in Section 6.5 hereunder.

6.2 Plan of Distribution and Allotment

The Bonds shall be made available for subscription to all categories of investors. The Bonds shall be offered exclusively to the Authorised Financial Intermediaries. During the Offer Period, the Authorised Financial Intermediaries shall subscribe for Bonds by virtue of the conditional subscription agreements to be entered into by and between the Issuer and the Authorised Financial Intermediaries.

Pursuant to the conditional subscription agreements to be entered into during the Offer Period, the Authorised Financial Intermediaries may subscribe for Bonds for their own account or for their underlying clients. The allocation of the Bonds shall be conditional upon the Bond Issue being fully subscribed and the Bonds being admitted to the Official List of the Malta Stock Exchange.

Applications may be made through the Authorised Financial Intermediaries. It is expected that an allotment advice will be dispatched to Applicants within five Business Days of the announcement of the allocation policy. The registration advice and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act, and regulations made thereunder. Such monies shall not bear interest while retained as aforesaid.

Applications for subscriptions to the Bonds may be made through the Authorised Financial Intermediaries, subject to a minimum application of €2,000 and in multiples of €100 thereafter.

The Issuer shall announce the result of the Bond Issue through a company announcement by latest 24 February 2025. Dealings in the Bonds shall not commence prior to the Bonds being admitted to the Official List.

6.3 Intermediaries Offer

By the close of the Offer Period, the Issuer shall enter into the conditional subscription agreements with Authorised Financial Intermediaries, pursuant to which the Issuer shall bind itself to allocate the full nominal value of the Bonds to the Authorised Financial Intermediaries, and Authorised Financial Intermediaries shall bind themselves to collectively subscribe to up to €7,000,000 in nominal value of Bonds, conditional upon the admission to listing of the Bonds, either for their own account or for the account of underlying clients, including retail clients. Each Authorised Financial Intermediary shall in addition be entitled to either:

(i) distribute to the underlying clients any portion of the Bonds subscribed for upon commencement of trading; or
(ii) complete a data file representing the amount its underlying clients have been allocated in terms of the Subscription Agreement as provided by the Sponsor, Manager & Registrar by latest 16:00 hours on 21 February 2025, being the closing of the Offer Period.

The Authorised Financial Intermediaries must effect payment to the Sponsor, Manager & Registrar for the Bonds subscribed to by not later than the closing of the Offer Period.

6.4 Ranking of the Bonds

The Bonds, as and when issued and allotted, shall constitute the general, direct, and unconditional unsecured obligations of the Issuer to the Bondholders 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. Furthermore, subject to the negative pledge clause (Section 6.8 of this Securities Note), third party security interests may be registered which will rank in priority to the Bonds 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 indebtedness which is subordinated to the Bonds.

The following table sets out a summary of the BDP Group's indebtedness as at 30 June 2024, which includes debt securities and other financial liabilities. The secured borrowings listed below are secured by privileges and hypothecs. The indebtedness being created by the Bonds, together with other unsecured debt, shall rank after all outstanding borrowings secured by such privileges and hypothecs. In addition, the Bonds would also rank after any future debts that may be secured by a cause of preference such as a privilege and/or a hypothec.

Consolidated Group borrowings as at 30 June 2024	**Euro (€) million**
Total current debt	
Secured	1.2
Unsecured	2.0
Total	**3.2**
Total non-current debt	
Secured	29.4
Total	**29.4**
Total Group borrowings	**32.6**

Further details on the aforesaid indebtedness are found in the unaudited financial statements of the Issuer for the interim period ended 30 June 2024, which have been published on the Issuer's website (www.bestdealholdings.com) and are available for inspection at its registered office during office hours for the term of the Bonds.

6.5 Rights Attaching to the Bonds

This Securities Note in its entirety contains the terms and conditions of issue of the Bonds and creates the contract between the Issuer and a Bondholder. Any and all references to the terms and conditions of the Bonds shall be construed as a reference to all and each section of this Securities Note. A Bondholder shall have such rights as are, pursuant to this Securities Note, attached to the Bonds, including:

(i) the repayment of capital;
(ii) the payment of interest;
(iii) ranking with respect to other unsecured indebtedness of the Issuer in accordance with the provisions of Section 6.4 above;
(iv) the right to attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and
(v) the enjoyment of all such other rights attached to the Bonds emanating from the Prospectus.

6.6 Interest

The Bonds shall bear interest from and including 21 February 2025 at the rate of 5.35% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be effected on 21 February 2026 (covering the period 21 February 2025 to 20 February 2026). 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.

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

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

6.7 Yield

The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds is 5.35% per annum.

6.8 Negative Pledge

The Issuer undertakes, for as long as any principal or interest under the Bonds or any of the Bonds 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 its present or future assets or revenues, to secure any Financial Indebtedness (as defined below) of the Issuer, unless the instrument creating such Security Interest shall provide that the Issuer's indebtedness under the Bonds, shares in and is secured equally and rateably with such Security Interest.

For the purposes of this clause:

"**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, 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:

(i) Any Security Interest arising by operation of law;
(ii) Any Security Interest securing temporary bank loans or overdrafts or guarantees in the ordinary course of business;
(iii) Any Security Interest securing any indebtedness of the Issuer created for the sole purpose of financing or raising finance for the redemption of all Bonds;
(iv) Any other Security Interest (in addition to (i), (ii) and (iii) above) securing Financial Indebtedness of the Issuer in an aggregate outstanding amount not exceeding 105.35% of the difference between the value of Unencumbered Assets of the Issuer and the aggregate principal amount of the Bonds outstanding at the time;

Provided that the aggregate Security Interests referred to in (ii), (iii) and (iv) above do not result in the Unencumbered Assets of the Issuer being less than the aggregate principal amount of the Bonds still outstanding together with one year's interest thereon;

"**Unencumbered Assets**" means assets which are not subject to a Security Interest.

6.9 Registration, Form, Denomination and Title

Certificates will not be delivered to Bondholders in respect of the Bonds. The entitlement to Bonds will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer by the CSD. There will be entered in such electronic register the names, addresses, identity card numbers (in the case of natural persons), registration numbers (in the case of companies) and MSE account numbers, and any other relevant information as required from time to time, of the Bondholders and particulars of the Bonds held by them respectively, and the Bondholders shall have, at all reasonable times during business hours, access to the register of bondholders held at the CSD for the purpose of inspecting information held on their respective account.

The CSD will issue, upon a request by a Bondholder, a statement of holdings to such Bondholder evidencing his/ her/its entitlement to Bonds held in the register kept by the CSD.

Upon submission of a form of Application, Bondholders who do not have an online e-portfolio account shall be registered by the CSD for the online e-portfolio facility and shall receive by mail at their registered address a handle code to activate the new e-portfolio login. The Bondholder's statement of holdings evidencing entitlement to Bonds held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on: https://eportfolio.borzamalta.com.mt/. Those Bondholders who opt not to avail themselves of this facility should indicate such on the form of Application. Further detail on the e-portfolio is found on: https://eportfolio.borzamalta.com.mt/Help.

The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €100 provided that on subscription the Bonds will be issued for a minimum of €2,000 per individual Bondholder. Should the Authorised Financial Intermediaries subscribe to Bonds through nominee accounts for and on behalf of clients, they shall apply the minimum subscription amount of €2,000 to each underlying client.

Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Bond. Title to the Bonds may be transferred as provided below under the heading "Transferability of the Bonds" in Section 6.13 of this Securities Note.

6.10 Payments

Payment of the principal amount of Bonds will be made in Euro by the Issuer to the person in whose name such Bonds are registered, with interest accrued up to the Redemption Date, by means of direct credit transfer into such bank account as the Bondholder may designate from time to time, provided such bank account is denominated in Euro and held with any licensed bank in Malta. Such payment shall be effected within seven days of the Redemption Date. The Issuer shall not be responsible for any charges, loss or delay in transmission. Upon payment of the Redemption Value the Bonds shall be redeemed and the appropriate entry made in the electronic register of the Bonds at the CSD.

In the case of Bonds held subject to usufruct, payment will be made against the joint instructions of all bare owners and usufructuaries. Before effecting payment, the Issuer and, or the CSD shall be entitled to request any legal documents deemed necessary concerning the entitlement of the bare owner/s and the usufructuary/ies to payment of the Bonds.

Payment of interest on a Bond will be made to the person in whose name such Bond is registered at the close of business 15 days prior to the Interest Payment Date, by means of a direct credit transfer into such bank account as the Bondholder may designate, from time to time, which is denominated in Euro and held with any licensed bank in Malta. Such payment shall be effected within seven days of the Interest Payment Date. The Issuer shall not be responsible for any loss or delay in transmission.

All payments with respect to the Bonds are subject in all cases to any applicable fiscal or other laws and regulations prevailing in Malta. In particular, but without limitation, all payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made net of any amount which the Issuer is or may become compelled by law to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Malta or any authority thereof or therein having power to tax.

No commissions or expenses shall be charged by the Issuer to Bondholders in respect of such payments.

6.11 Redemption and Purchase

Unless previously purchased and cancelled, the Bonds shall be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 21 February 2032.

Subject to the provisions of this Section 6.11, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike.

All Bonds repurchased by the Issuer shall be cancelled forthwith and may not be re-issued or re-sold.

6.12 Events of Default

The Bondholders, holding not less than seventy-five percent (75%) of the outstanding Bonds, may give notice to the Issuer that the Bonds are, and shall accordingly immediately become, due and payable at their nominal value together with interest accrued on the occurrence of any of the following events (each an 'Event of Default') and without the need of any authorisation and/or confirmation from a competent court in the event that:

(i) The Issuer fails to pay any interest on any Bond when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Bondholders; or

(ii) The Issuer fails to repay any principal on any Bond when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Bondholders; or

(iii) The Issuer fails to perform or observe any material covenant, material condition or material provision contained in this Securities Note or the Prospectus (other than any obligation for the payment of principal and interest in respect of the Bonds) and such failure is incapable of remedy or is not remedied within forty-five (45) days after notice of such default shall have been given to the Issuer; or

(iv) The Issuer is deemed unable or admits its inability to pay its debts as they fall due within the meaning of Article 214(5) of the Act; or

(v) The Issuer stops or suspends payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so or ceases or threatens to cease to carry on its business or a substantial part of its business; or

(vi) The Issuer is adjudicated or found bankrupt or insolvent, or an order is made by any competent court, or a resolution is passed by the Issuer or any other action is taken for the dissolution, liquidation, or winding up of the Issuer.

Any notice, including any notice declaring the Bonds due shall be made by means of a written declaration delivered by hand or registered mail to the registered office of the Issuer.

At any time after notice has been given to the Issuer by the Bondholders that the Bonds shall have become immediately due and payable in accordance with this Section 6.12, the Bondholders may, in their sole discretion, institute such proceeding as they may think fit against the Issuer to enforce repayment of the principal together with accrued but unpaid interest.

6.13 Transferability of the Bonds

The Bonds are freely transferable and, once admitted to the Official List of the MSE, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.

Any person becoming entitled to a Bond in consequence of the death or bankruptcy of a Bondholder may, upon such evidence being produced as may from time to time properly be required by the Issuer or the CSD, elect either to be registered himself as holder of the Bond or to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the CSD a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by transferring the Bond, or procuring the transfer of the Bond, in favour of that person.

All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable laws and regulations.

The cost and expenses of effecting any registration of transfer or transmission, 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 Issuer.

The Issuer will not register the transfer or transmission of Bonds for a period of 15 days preceding the due date for any payment of interest on the Bonds or the due date for redemption.

The minimum subscription amount of €2,000 shall only apply upon original subscription of the Bonds. No minimum holding requirement shall be applicable once the Bonds are admitted to listing on the Official List of the MSE and commence trading thereafter, subject to trading in multiples of €100.

6.14 Further Issues

Subject to the negative pledge clause (Section 6.8 of this Securities Note), the Issuer may, from time to time, without the consent of the Bondholders, create and issue further debentures, debenture stock, bonds, loan notes, or any other debt securities, either having the same terms and conditions as any outstanding debt securities of any series (including the Bonds) and so that such further issue shall be consolidated and form a single series with the outstanding debt securities of the relevant series (including the Bonds), or upon such terms as the Issuer may determine at the time of their issue.

6.15 Meetings of Bondholders

The Issuer may, from time-to-time call meetings of Bondholders for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which in terms of the Prospectus require the approval of a Bondholders' meeting and to effect any change to the applicable Terms and Conditions of the Bonds.

A meeting of the Bondholders may also be convened on the requisition of a Bondholder or Bondholders holding in aggregate, at the date of the deposit of the requisition, not less than seventy-five percent (75%) in aggregate nominal value of Bonds then outstanding, which requisition shall state the objects of the meeting and shall be signed by the requisitioning Bondholder/s and deposited at the registered office of the Issuer. The Issuer must then proceed duly to convene a meeting of Bondholders within twenty-one (21) days from the date of the deposit of the requisition that complies with the requirements of this section.

The amendment or waiver of any of the Terms and Conditions contained in this Securities Note may only be made with the approval of Bondholders at a meeting called and held for that purpose in accordance with the terms hereof.

A meeting of Bondholders 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) Bondholders present, in person or by proxy, representing not less than fifty percent (50%) in nominal value of the Bonds 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 Bondholders present at that meeting. The Issuer shall within two (2) days from the date of the original meeting publish by way of a company announcement the date, time and place where the adjourned meeting is to be held. An adjourned meeting shall be held not earlier than seven (7) days, and not later than fifteen (15) days, following the original meeting. At an adjourned meeting, the number of Bondholders 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.

Any person who in accordance with the Memorandum and Articles of Association of the Issuer is to chair the annual general meetings of shareholders shall also chair meetings of Bondholders.

Once a quorum is declared present by the chairman of the meeting, 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 Bondholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time to Bondholders to present their views to the Issuer and the other Bondholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Bondholders present at the time at which the vote is being taken, and any Bondholders 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.

The voting process shall be managed by the Company Secretary of the Issuer under the supervision and scrutiny of the auditors of the Issuer. Every Bondholder shall have one vote for each Bond held and any fractional interests shall be disregarded. Voting, whether on a show of hands or on a poll, shall be taken in such manner as the chairman of the meeting shall direct.

The proposal placed before a meeting of Bondholders shall only be considered approved if at least seventy-five percent (75%) in nominal value of the Bondholders present at the meeting, or at any adjourned meeting, as the case may be, at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal. Minutes shall be made of the proceedings of every meeting, including every Bondholders' decision and, if signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the proceedings of such meetings.

Save for the above, the rules generally applicable to proceedings at general meetings of shareholders of the Issuer shall *mutatis mutandis* apply to meetings of Bondholders.

6.16 Authorisations and Approvals

The Board of Directors of the Issuer authorised the Bond Issue pursuant to a board of directors' resolution passed on 11 February 2025.

6.17 Notices

Notices will be mailed to Bondholders at their registered addresses and shall be deemed to have been served at the expiration of 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 Bondholder at his registered address and posted.

6.18 Governing Law and Jurisdiction

The Bonds are governed by and shall be construed in accordance with Maltese law.

Any legal action, suit or proceedings against the Issuer arising out of or in connection with the Bonds and, or the Prospectus shall be brought exclusively before the Maltese courts.

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 Bonds, including their acquisition, holding and transfer as well as on any income derived therefrom or on any gains derived on the transfer of such Bonds. The tax legislation of the investor's country of nationality, residence or domicile and of the Issuer's country of incorporation (Malta) may have an impact on the income received from the Bonds. The following is a summary of the anticipated tax treatment applicable to Bondholders 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 Bonds 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 Bond which is the subject of a public issue, and such interest constitutes "investment income" in terms of article 41(a)(iv)(1) of the Income Tax Act, Chapter 123 of the laws of Malta (the "Income Tax Act"), unless the Bondholder elects, by means of an instruction in writing sent to the Issuer in terms of article 35 of the Income Tax Act, to receive the interest gross of any withholding tax, or if the Bondholder does not fall within the definition of "recipient" in terms of article 41(c) of the Income Tax Act, interest shall be paid to such Bondholder net of a final withholding tax, currently at the rate of fifteen percent (15%) (ten percent (10%) in the case of certain types of collective investment schemes) of the gross amount of the interest, pursuant to article 33 of the Income Tax Act. Bondholders who do not fall within the definition of a "recipient" do not qualify for the abovementioned "investment income" final withholding tax and should seek advice on the taxation of such income as special rules may apply.

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

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

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

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

7.3 Exchange of Information

In terms of applicable Maltese legislation, the Issuer and, or its agent may be required to collect and forward certain information (including, but not limited to, information regarding payments made to certain Bondholders) to the Maltese Commissioner for Tax and Customs. The Maltese Commissioner for Tax and Customs will or may, in turn, automatically or on request, forward the information to other relevant tax authorities subject to certain conditions.

Please note that the information contained in this section does not constitute tax advice and prospective investors in the Bonds are to consult their own independent tax advisers in case of doubt.

The Common Reporting Standard and the Directive on Administrative Cooperation

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

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

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

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

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

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

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

The United States of America ('U.S.') has enacted rules, commonly referred to as 'FATCA', that generally impose a reporting regime and, in some cases withholding requirements, with respect to certain U.S. source payments (including dividends and interest), gross proceeds from the disposition of property that can produce U.S. source interest and dividends as well as certain payments made by, and financial accounts held with, entities that are classified as financial institutions under FATCA. The U.S. has entered into an intergovernmental agreement with Malta dated 6 December 2013 regarding the implementation of FATCA in Malta which has been implemented into Maltese law through the Exchange of Information (United States of America) (FATCA) Order, Subsidiary Legislation 123.156 ("FATCA Legislation").

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

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

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

7.4 Maltese Taxation on Capital Gains Arising on Transfer of the Bonds

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

7.5 Duty on Documents and Transfers

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

Furthermore, in terms of article 50 of the Financial Markets Act, as the Bonds should constitute qualifying financial instruments of a company quoted on a regulated market (that is, the MSE) any transfers or transmissions of the Bonds should, in any case, be exempt from duty.

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

8. TERMS AND CONDITIONS OF THE BOND ISSUE

8.1 Terms and Conditions of Application

8.1.1 The issue and allotment of the Bonds is conditional upon the Bond Issue being fully subscribed and the Bonds being admitted to the Official List of the MSE. In the event that the said conditions are not satisfied within 15 Business Days from the close of the Offer Period, any Application monies received by the Issuer will be returned without interest by direct credit into the Applicant's bank account indicated by the Applicant on the relative form of Application.

8.1.2 Pursuant to the Intermediaries Offer, the Issuer shall enter into conditional subscription agreements with Authorised Financial Intermediaries pursuant to which the Issuer shall bind itself to allocate a total amount of €7,000,000 in nominal value of Bonds to the Authorised Financial Intermediaries and the Authorised Financial Intermediaries shall bind themselves to collectively subscribe to a maximum of €7,000,000 in nominal value of Bonds. The Authorised Financial Intermediaries (in the names of underlying clients) must provide details of Applicants representing the amount they have been allocated by completing a data file, as provided by the Sponsor, Manager & Registrar, by latest 16:00 hours on 21 February 2025, accompanied by full payment.

8.1.3 By submitting a form of Application to the Authorised Financial Intermediaries, the Applicant is thereby confirming to the Issuer, the Sponsor, Manager & Registrar and the Authorised Financial Intermediaries, as applicable, that the Applicant's remittance will be honoured on first presentation and agrees that, if such remittance is not so honoured on its first presentation, the Issuer acting through the Authorised Financial Intermediaries, reserves the right to invalidate the relative form of Application. Furthermore, the Applicant will not be entitled to receive a registration advice or to be registered in the register of Bondholders, unless the Applicant makes payment in cleared funds and such consideration is accepted by the Authorised Financial Intermediaries, which acceptance shall be made in the Authorised Financial Intermediaries' absolute discretion and may be on the basis that the Applicant indemnifies the Authorised Financial Intermediaries against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of the Applicant's remittance to be honoured on first presentation.

8.1.4 The contract created by the Issuer's acceptance of a data file submitted by the Authorised Financial Intermediaries pursuant to the conditional subscription agreements, shall be subject to all the terms and conditions set out in this Securities Note and the Memorandum and Articles of Association. It is the responsibility of investors wishing to apply for the Bonds to inform themselves as to the legal requirements of so applying including any requirements relating to external transaction requirements in Malta and any exchange control in the countries of their nationality, residence, or domicile.

8.1.5 If an Application is submitted on behalf of another person, whether legal or natural, the person submitting such Application shall be deemed to have duly bound such other person, whether legal or natural, on whose behalf the Application has been submitted. The person submitting such Application shall be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions on their behalf. Such representative may be requested to submit the relative power of attorney or resolution, or a copy thereof duly certified by a lawyer or notary public, if so required by the Authorised Financial Intermediaries, but it shall not be the duty or responsibility of the Authorised Financial Intermediaries to ascertain that such representative is duly authorised to submit an Application. Furthermore, in cases where the decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "decision maker") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be made available.

8.1.6 In the case of joint Applicants, reference to the term "Applicant" in these terms and conditions is a reference to each of the joint Applicants, and liability therefor is joint and several. The first person, as designated in the respective MSE account number quoted by the Applicant or first named in the register of Bondholders shall, for all intents and purposes, be deemed to be such nominated person by all those joint holders designated in the MSE account number quoted by the Applicant or joint holders in the register, as the case may be. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Bond/s so held.

8.1.7 In the case of corporate Applicants or Applicants having separate legal personality, it shall not be incumbent on the Issuer or the Registrar to verify whether the person or persons purporting to bind such Applicant is, or are, in fact duly authorised. Applications by corporate Applicants have to include a valid legal entity identifier (LEI) which must be unexpired. Applications without such information or without a valid LEI will not be accepted.

8.1.8 Applications in the name and for the benefit of minors shall be allowed provided that the Applicant already holds an account with the MSE. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption monies payable to the parents / legal guardian/s subscribing for Bonds on the minor's behalf, until such time as the minor attains the age of 18 years, following which all interest and redemption monies shall be paid directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of 18 years.

8.1.9 In respect of a Bond 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-à-vis the Issuer to be the holder of the Bond/s so held and shall have the right to receive interest on the Bond/s and to vote at meetings of the Bondholders but shall not, during the continuance of the Bond/s, have the right to dispose of the Bond/s so held without the consent of the bare owner, and shall not be entitled to the repayment of principal on the Bonds (which shall be due to the bare owner).

8.1.10 The Bonds will be issued in multiples of €100. The minimum subscription amount of Bonds that can be subscribed for by Applicants is €2,000.

8.1.11 In the event that any cheque accompanying a form of Application is not honoured on its first presentation, the Issuer and the Registrar reserve the right to invalidate the relative form of Application.

8.1.12 For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations (Subsidiary Legislation 373.01 of the laws of Malta), as amended from time to time, the Authorised Financial Intermediaries are under a duty to communicate, upon request, all information about clients as is mentioned in articles 1.2(d) and 2.4 of the "Members' Code of Conduct" appended as Appendix 3.6 to Chapter 3 of the MSE Bye-Laws, irrespective of whether the said appointed Authorised Financial Intermediaries are a member of the MSE not. Such information shall be held and controlled by the MSE in terms of the Data Protection Act (Cap. 586 of the laws of Malta) (the "Data Protection Act") and the General Data Protection Regulation (GDPR) (EU) 2016/679 ("GDPR"), as may be amended from time to time, for the purposes and within the terms of the MSE Data Protection Policy as published from time to time.

8.1.13 It shall be incumbent on the Authorised Financial Intermediaries to ascertain that all other applicable regulatory requirements relating to subscription of Bonds by an Applicant are complied with, including without limitation the obligation to comply with all applicable requirements set out in Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No. 648/2012 ("MiFIR"), as well as applicable MFSA rules for investment services providers.

8.1.14 No person receiving a copy of the Prospectus or any form of Application in any territory other than Malta may treat the same as constituting an invitation or offer to such person nor should such person in any event use such form of Application unless, in the relevant territory, such an invitation or offer could lawfully be made to such person, or such form of Application could lawfully be used without contravention of any registration or other legal requirements.

8.1.15 Subscription for Bonds by persons resident in, or who are citizens of, or who are domiciled in, or who have a registered address in, a jurisdiction other than Malta, may be affected by the law of the relevant jurisdiction. Those persons should consult their professional advisers (including tax and legal advisers) as to whether they require any governmental or other consents, or need to observe any other formalities, to enable them to subscribe for the Bonds. It is the responsibility of any person (including, without limitation, nominees, custodians, depositaries and trustees) outside Malta wishing to participate in the Bond Issue, to satisfy himself / herself / itself as to full observance of the applicable laws of any relevant jurisdiction, including, but not limited to, obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes (of any nature whatsoever) due in such territories. The Issuer shall not accept any responsibility for the non-compliance by any person of any applicable laws or regulations of foreign jurisdictions.

8.1.16 The Bonds have not been and will not be registered under the Securities Act of 1933 of the United States of America and accordingly may not be offered or sold within the United States or to or for the account or benefit of a U.S. person.

8.1.17 Subject to all other terms and conditions set out in the Prospectus, the Authorised Financial Intermediaries reserve the right to reject, in whole or in part, or to scale down, any Application, and to present any cheques and, or drafts for payment upon receipt. The right is also reserved to refuse any Application which in the opinion of the Authorised Financial Intermediary is not properly completed in all respects in accordance with the instructions or is not accompanied by the required documents.

8.1.18 On completing and delivering a form of Application, the Applicant:

(i) agrees and acknowledges to have had the opportunity to read the Prospectus and to be deemed to have had notice of all information and representations concerning the Issuer and the issue of the Bonds contained therein;

(ii) warrants that the information submitted by the Applicant in the form of Application is true and correct in all respects. All Applications need to include a valid MSE account number in the name of the Applicant/s. Failure to include an MSE account number will result in the Application being cancelled by the Issuer (acting through the Registrar) and subscription monies will be returned to the Applicant in accordance with Section 8.1.1 above. In the event of a discrepancy between the personal details (including name and surname and the Applicant's address) appearing on the form of Application and those held by the MSE in relation to the MSE account number indicated on the form of Application, the details held by the MSE shall be deemed to be the correct details of the Applicant;

(iii) acknowledges the processing of any personal data for the purposes specified in the privacy notice published by the Issuer, which is available on the Issuer's website at www.bestdealholdings.com. The Applicant hereby acknowledges that the processing of personal data may validly take place, even without the Applicant's consent, in the circumstances set out in the GDPR and the Data Protection Act and any applicable subsidiary legislation, as may be amended from time to time. The Applicant hereby confirms that he/she/it has been provided with and read the privacy notice;

(iv) authorises the Issuer (or its service providers, including the CSD and, or the Sponsor, Manager & Registrar) and, or the relevant Authorised Financial Intermediary, as applicable, to process the personal data that the Applicant provides in the form of Application, for all purposes necessary and subsequent to the Bond Issue applied for, in accordance with the Data Protection Act and the GDPR. The Applicant has the right to request access to and rectification of the personal data relating to him/her in relation to the Bond Issue. Any such requests must be made in writing and sent to the Issuer and sent to the CSD at the Malta Stock Exchange. The requests must be signed by the Applicant to whom the personal data relates;

(v) confirms that in making such Application and, or subscribing for the Bonds, no reliance was placed on any information or representation in relation to the Issuer or the issue of the Bonds other than what is contained in the Prospectus and accordingly agree/s that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;

(vi) agrees that any refund of unallocated Application monies, without interest, will be paid by direct credit, at the Applicant's own risk, to the bank account as indicated in the form of Application. The Issuer shall not be responsible for any loss or delay in transmission or any charges in connection therewith;

(vii) warrants that the remittance will be honoured on first presentation and agrees that, if such remittance is not so honoured: (i) the Applicant will not be entitled to receive a registration advice or to be registered in respect of such Bonds, unless and until a payment is made in cleared funds for such Bonds and such payment is accepted by the respective Authorised Financial Intermediary (which acceptance shall be made in its absolute discretion and may be on the basis that the Authorised

Financial Intermediary is indemnified for all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of the Applicant's remittance to be honoured on first presentation at any time prior to unconditional acceptance by the Issuer acting through the Registrar of such late payment in respect of the Bonds); or (ii) the Issuer may, without prejudice to other rights, treat the agreement to allocate such Bonds as void and may allocate such Bonds to another person, in which case the Applicant will not be entitled to a refund or payment in respect of such Bonds (other than return of such late payment);

(viii) agrees that the registration advice and other documents and any monies returnable to the Applicant may be retained pending clearance of his / her remittance and any verification of identity as required by the Prevention of Money Laundering Act (Cap. 373 of the laws of Malta) and regulations made thereunder, and that such monies will not bear interest;

(ix) warrants, in connection with the subscription of the Bonds, to have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with the subscription of Bonds in any territory, and that the Applicant has not taken any action which will or may result in the Issuer or the Sponsor, Manager & Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the Bonds;

(x) agrees to provide the Registrar and, or the Issuer, as the case may be, with any information which may be requested in connection with the Application;

(xi) warrants that all applicable exchange control or other such regulations (including those relating to external transactions) have been duly and fully complied with;

(xii) agrees that all Applications, forms of Application, acceptances of Applications and contracts resulting therefrom will be governed, and construed, in accordance with Maltese law, and to submit to the jurisdiction of the Maltese courts, and agrees that nothing shall limit the right of the Issuer to bring any action, suit or proceedings arising out of or in connection with any such Applications, forms of Application, acceptance of Applications and contracts resulting therefrom in any manner permitted by law in any court of competent jurisdiction;

(xiii) represents that the Applicant is not a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933 of the United States of America, as amended) as well as not to be accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the "United States") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;

(xiv) agrees that the Advisers to the Bond Issue (listed in Section 5.2 of the Registration Document) will owe the Applicant no duties or responsibilities concerning the Bonds or the suitability of the Applicant;

(xv) warrants that, where an Applicant submits a form of Application on behalf of another person or on behalf of a corporation or corporate entity or association of persons, the Applicant is duly authorised to do so and such person, corporation, corporate entity, or association of persons will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in the terms and conditions and accordingly will be deemed also to have given the confirmations, warranties and undertakings contained in the terms and conditions and undertake to submit your power of attorney or a copy thereto duly certified by a lawyer or notary public if so required by the Issuer or the Registrar;

(xvi) agrees that all documents in connection with the issue of the Bonds will be sent at the Applicant's own risk and may be sent by post at the address (or, in the case of joint Applicants, the address of the first named Applicant) as designated in the respective MSE account quoted by the Applicant; and

(xvii) renounces to any rights the Applicant may have to set off any amounts the Applicant may at any time owe the Issuer against any amount due under the terms of the Bonds.

9. ADDITIONAL INFORMATION

Save for the Financial Analysis Summary reproduced in Annex II of this Securities Note, the Prospectus does not contain any statement or report attributed to any person as an expert.

The Financial Analysis Summary has been included in the form and context in which it appears with the authorisation of the Sponsor, Manager & Registrar which has given and has not withdrawn its consent to the inclusion of such report herein.

The Sponsor, Manager & Registrar does not have any material interest in the Issuer. The Issuer confirms that the Financial Analysis Summary has been accurately reproduced in the Securities Note and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

The business address of the Sponsor, Manager & Registrar is at 63, St. Rita Street, Rabat RBT 1523, Malta.

ANNEX I – LIST OF AUTHORISED FINANCIAL INTERMEDIARIES

Name	Address	Telephone
Jesmond Mizzi Financial Advisors Ltd	67 Level 3, South Street, Valletta VLT 1105	2122 4410
Michael Grech Financial Investment Services Ltd	The Brokerage, Level 0, St Marta Street, Victoria, Gozo VCT 2550	2258 7000
M.Z. Investment Services Ltd	63, St Rita Street, Rabat RBT 1523	2145 3739

Financial Analysis Summary
14 February 2025

ISSUER

Best Deal Properties Holding p.l.c.

(C 88974)

PREPARED BY

M Z INVESTMENTS

MZ INVESTMENTS

MZ Investment Services Limited
63, 'MZ House', St Rita Street, Rabat RBT 1523, Malta
E info@mzinvestments.com W mzinvestments.com

The Directors
Best Deal Properties Holding p.l.c.
63 J.L. Buildings, Office 5,
Luqa Road,
Paola, PLA 9045, Malta

14 February 2025

Dear Board Members,

Financial Analysis Summary

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the "**Analysis**") set out in the following pages and which is being forwarded to you together with this letter.

The purpose of this Analysis is that of summarising key financial information appertaining to Best Deal Properties Holding p.l.c. (the "**Issuer**", "**Group**" or "**BDPH**"). The data is derived from various sources or is based on our own computations as follows:

(a) Historical information for the most recent three financial years ended 31 December 2021, 31 December 2022, and 31 December 2023 has been extracted from the respective audited consolidated annual financial statements.

(b) The forecast and projected information for the financial years ending 31 December 2024 and 31 December 2025 have been provided by the Issuer.

(c) Our commentary on the financial performance, cash flows, and financial position of the Group is based on the explanations provided by BDPH.

(d) The ratios quoted in this Analysis have been computed by applying the definitions set out in Part 4 – Explanatory Definitions of this report.

(e) Relevant financial data in respect of the companies included in Part 3 – Comparative Analysis of this Analysis has been extracted from public sources such as websites of the companies concerned, financial statements filed with the Malta Business Registry, as well as other sources providing financial information.

This Analysis is meant to assist existing and potential investors in the Issuer's securities by summarising the more important financial information of the Group. This Analysis does not contain all data that is relevant to investors and is meant to complement, and not replace, the contents of the full Prospectus. This Analysis does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest or not invest in any of the Issuer's securities. We will not accept any liability for any loss or damage arising out of the use of this Analysis, and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. As with all investments, existing and potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours faithfully,

Evan Mohnani
Head of Corporate Broking

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MZ INVESTMENTS

PART 1 – INFORMATION ABOUT THE GROUP

1. HISTORY AND PRINCIPAL ACTIVITIES

Best Deal Properties Holding p.l.c. was established on 23 October 2018 and is the parent, holding, and finance company of a number of subsidiaries which are engaged in the construction, development, and sale of residential real estate. As such, the Issuer is economically dependent on the prospects of its operating subsidiaries.

In December 2018, the Group raised €16 million through the issuance of 4.25% secured bonds 2024 (the "**2018 Bonds**"), which were guaranteed by Best Deal Developments Limited (the "**2018 Guarantor**"), for the purpose of acquiring and developing three sites located in Pembroke, Żabbar, and Mellieħa described below. The 2018 Bonds were redeemed in full on 12 December 2024.

(i) **Pembroke (I) Development – Jewel Court**: the project involved the development of a corner site with unobstructed sea and country views situated in Triq il-Mediterran corner with Triq Gabriele Henin, Pembroke, measuring approximately 380 sqm. In aggregate, the project comprised the construction of 2 maisonettes, 4 apartments, 2 duplex penthouses, and 7 garages.

(ii) **Żabbar Development – Lotus Complex**: the project involved the development of the site known as Il-Wilġa tal-Imnieġel, measuring approximately 4,149 sqm, and which is positioned on three roads in Triq Ta' Lanza corner with New Street in Triq il-Kaħwiela, and corner with Triq il-Kaħwiela, Żabbar. In aggregate, the project comprised the construction of 9 blocks consisting of 24 maisonettes, 81 apartments, 22 penthouses, and 198 garages. Four of the afore-mentioned 9 blocks enjoy open country views from the front terraces as they face a green area.

(iii) **Mellieħa Development – Laguna Court**: the project involved the development of the sites known as Tal-Ħawlija, Ta' Masrija, and Tas-Salib, in aggregate measuring approximately 1,249 sqm, located in Triq Ta' Masrija and New Street off Triq il-Mitħna l-Qadima, Mellieħa. The project comprised the construction of 3 blocks having panoramic views visible from the 6th and 7th floors, and consisting of 7 maisonettes, 35 apartments, 7 penthouses, and 55 garages.

In 2019, the Group raised fresh equity from a new investor – C Developments Limited – which acquired 20% of BDPH through an offer for subscription of 625,000 new ordinary shares of a nominal value of €0.10 each at the share issue price of €1.60. The transaction was concluded in terms of a Company Admission Document dated 21 August 2019. The new ordinary shares, together with the 2,500,000 existing ordinary shares, were admitted to Prospects MTF on 22 August 2019. Moreover, C Developments Limited advanced €1.20 million to BDPH to further support the Group's working capital requirements.

In Q4 2022, the Group raised €15 million through the issuance of 4.75% secured bonds 2025-2027 (the "**2022 Bonds**"), which are guaranteed by Best Deal Estates Limited (the "**2022 Guarantor**"), for the purpose of acquiring and developing four parcels of land, in aggregate measuring 4,985 sqm, located in an area known as Tal-Għasfura in Nicolo Baldacchino Street, Siġġiewi (the "**Siġġiewi Site**"). This project involves the construction of 8 blocks comprising 20 maisonettes, 60 apartments, 15 penthouses, and 155 garages (including 2 sub-stations) ("**Città Ferdinand**").

Best Deal Għadira Limited (the "**2024 Guarantor**") was incorporated on 23 August 2023 for the purpose of pursuing a new residential project located in Għadira, Mellieħa. On 30 April 2024, the 2024 Guarantor concluded the purchase of a site for a consideration of €7.80 million and measuring 2,643 sqm (the "**Għadira Site**") which the Group is currently developing into a residential complex comprising 10 maisonettes, 53 apartments, 2 penthouses, and 119 garages ("**The Cove**"). The Għadira Site is adjacent to Triq it-Tunnaġġ and Triq id-Denċi corner with Triq it Tumbrell and is free and unencumbered from the obligation of payment of or conditions related to ground rent and, or emphyteutical or other burdens. The Għadira Site is also free from third party servitudes, has guaranteed vacant possession, and includes its airspace and subterranean levels. The Cove is being partly financed from the proceeds received from the issuance of €15 million 5.75% secured bonds 2027-2029 ("the **2024 Bonds**").

Best Deal Paola Limited ("**BDPLA**") was incorporated on 22 August 2024 for the purpose of pursuing a new residential project located in Paola, limits of Ħal-Tarxien. On 11 February 2025, BDPLA concluded the purchase of two sites, in aggregate measuring circa 678 sqm, together with their overlying airspace, situated in Triq Ħal-Luqa and Triq it-Tfief (the "**Paola Site**") for a total consideration of €2.51 million. The transaction was financed through the Group's own funds and the Paola Site will be redeveloped into a complex comprising 2 commercial units (one of which will be kept within the Group for own use), 2 maisonettes, 19 apartments (16 two-bedroomed units and 3 three-bedroomed units), 3 penthouses, and 48 garages (the "**Paola Development**").

MZ INVESTMENTS

Following Planning Authority approval granted on 2 September 2024, works on the Paola Development are expected to commence in Q1 2025. Construction of the units in shell form is expected to last till Q2 2026 whilst finishing works are anticipated to be completed by Q4 2027. The entire project is estimated to cost approximately €8.20 million to pursue.[1]

Total income from the sale of properties forming part of the Paola Development is expected to amount to circa €9.94 million, and the project will be partly financed from the proceeds received from the issuance of €7 million 5.35% unsecured bonds 2032 (“the **2025 Bonds**”), income received from the sale of units and garages forming part of the Paola Development, and other sources of funds of the Group.

2. DIRECTORS AND MANAGEMENT STRUCTURE

2.1 DIRECTORS OF THE ISSUER

The board of directors of BDPH comprises the following eight individuals who are entrusted with the overall development, strategic direction, and risk management of the Group:

James Bullock	Chairman & Non-Executive Director
Christopher Attard	Executive Director
Pierre Bartolo	Executive Director
David Basile	Executive Director
Robert Buttigieg	Executive Director
Erskine Vella	Executive Director
Mario P. Galea	Independent Non-Executive Director
Maria Carmela (k/a Marlene) Seychell	Independent Non-Executive Director

2.2 DIRECTORS OF BDPLA, THE 2024 GUARANTOR & THE 2022 GUARANTOR

The board of directors of BDPLA, the 2024 Guarantor, and the 2022 Guarantor are composed of the following five individuals:

Christopher Attard	Director
Pierre Bartolo	Director
David Basile	Director
Robert Buttigieg	Director
Erskine Vella	Director

2.3 MANAGEMENT STRUCTURE

The Issuer, BDPLA, and the Guarantors have no employees and are managed directly by their respective board of directors. In managing each project, the directors have the support of a number of external consultants who are appointed as required.

[1] Including the consideration paid for the acquisition of the Paola Site, as well as projected finance costs and selling commissions.

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3. ORGANISATIONAL STRUCTURE

The diagram below illustrates the organisational structure of the Group:

The Issuer is equally owned by C Developments Limited, RCJ Investments Limited, Christopher Attard, Erskine Vella, and Pierre Bartolo, whereby each shareholder holds a 20% equity stake in BDPH. C Developments Limited is equally owned by Mr Francis Basile Cherubino, Edward Cherubino, David Basile Cherubino, and Luisa De Piro O'Connell. On the other hand, RCJ Investments Limited is equally owned by Robert Buttigieg, Christopher Buttigieg, and Jennifer Sant.

Between FY2016 and FY2023, the Group was involved in the construction and sale of three residential projects – Crystal Court and Blue Moon Court, both located in Marsascala, and Garnet Court located in Mqabba. Further information about these three projects is available in Section 4 – Completed Projects. Elite Developments Limited was responsible for the execution of the projects in Marsascala whilst PJCE Properties Limited was involved in the Garnet Court project. On 25 April 2024, Elite Development Limited merged with PJCE Properties Limited and was thereafter struck off.

Each project undertaken by the Group is promoted through the Best Deal Properties brand which is operated by Best Deal Properties Limited – a company that is not part of the Group and which is equally owned by Christopher Attard and Erskine Vella.

4. COMPLETED PROJECTS

4.1 CRYSTAL COURT – MARSASCALA

In June 2016, the Group embarked on developing Crystal Court when it acquired the land situated at Triq Salvu Buħaġiar corner with Triq il-Ġemmugħa and Triq il-Qrempuċ, Marsascala. The project included two blocks comprising 5 maisonettes, 18 apartments, 2 penthouses, and 30 garages. All units and garages were sold in FY2018 and FY2019, except for 1 garage which was sold in FY2020. The total cost of the project amounted to €3.40 million whilst total revenues amounted to €4.80 million.

4.2 BLUE MOON COURT'– MARSASCALA

In 2017, the Group acquired a second property situated in Triq il-Grigal corner with Triq is-Sajjieda, Marsascala. The development included 2 blocks consisting of 5 maisonettes, 15 apartments, 3 penthouses, and 19 garages. All units and garages were sold in FY2020, except for 1 residential unit and 1 garage which were sold in FY2021. The total cost of the project amounted to €5.50 million whilst total revenues amounted to €7.24 million.

4.3 GARNET COURT – MQABBA

In 2018, PJCE Properties Limited acquired two parcels of land in Triq il-Familja Brancati, Mqabba. This project comprised 2 maisonettes, 23 apartments, 3 penthouses, and 33 garages. All units and garages were sold in FY2021 except for 2 residential units and 2 garages which were sold in FY2022 and FY2023. The total cost of the project amounted to €6.20 million whilst total revenues amounted to €7.61 million of which €6.90 million was recognised in FY2021, €0.34 million was accounted for n FY2022 and €0.37 million in FY2023.

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4.4 JEWEL COURT – PEMBROKE

The project was initiated in 2019 and completed and sold in 2022. The total cost of the project amounted to €3 million whilst total revenues amounted to €4.51 million of which €2.65 million was accounted for between FY2021 and FY2023 (€1.27 million in FY2021, €0.79 million in FY2022, and €0.59 million in FY2023) whilst the remaining €1.86 million will be recognised in FY2024.

4.5 LOTUS COMPLEX – ŻABBAR

Civil works started in January 2019 and all 9 blocks have been constructed and finished. As at the end of September 2024, 126 residential units (out of a total of 127) and 154 garages (out of a total of 198) were either sold or subject to a promise of sale ("**POS**") agreement. As a result, only 1 residential unit and 44 garages were available for sale as at 30 September 2024.

The total cost of the project amounted to *circa* €27.10 million whilst total revenues are expected to amount to €37.57 million of which an aggregate of €30.95 million have been accounted for between FY2020 to FY2023.

4.6 LAGUNA COURT – MELLIEĦA

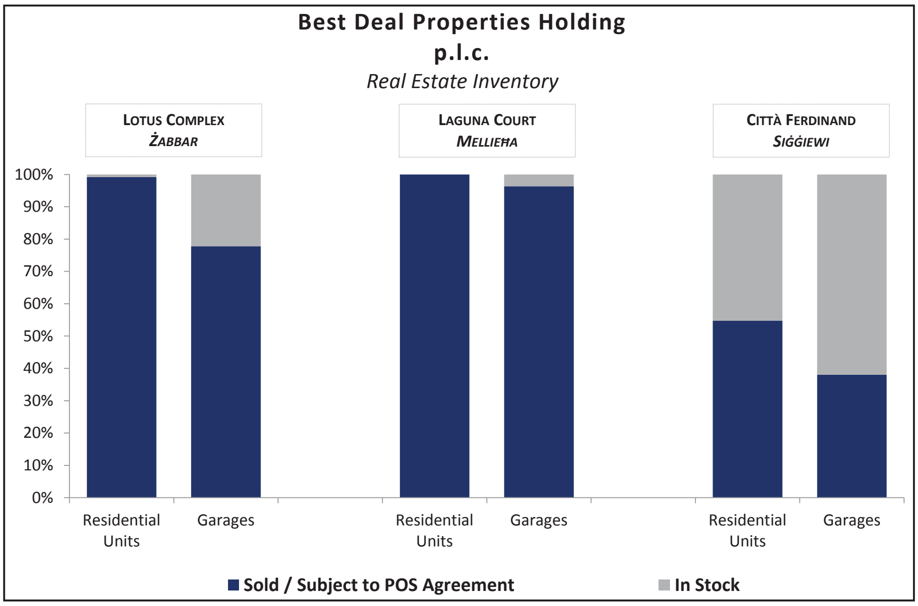
Construction works started in 2019 whilst finishing works were completed in Q2 2024. As at the end of September 2024, all residential units (totalling 49) and 53 garages (out of a total of 55) were either sold or subject to a POS agreement. As a result, only 2 garages were available for sale as at 30 September 2024. The total cost of the project is expected to amount to circa €31 million. Total revenue is projected to amount to €42.30 million and is expected to be registered for accounting purposes as to €10.70 million in the current financial year (FY2024), and €16.30 million and €15.30 million in FY2025 and FY2026 respectively.

5. CURRENT PROJECTS

5.1 CITTÀ FERDINAND – SIĠĠIEWI

Development works started in Q1 2023 and the project is expected to be completed in shell form by the end of 2024 and finished by the end of 2026. The total cost of the project is expected to amount to circa €31 million whilst total revenues are expected to amount to €42.30 million. The majority of the income from this project is expected to be recognised in FY2024 (€10.68 million) and FY2025 (€16.26 million).

As at the end of September 2024, 52 residential units (out of a total of 95) and 59 garages (out of a total of 155) were either sold or subject to a POS agreement. As a result, 43 residential units and 96 garages were available for sale as at 30 September 2024.



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5.2 THE COVE – GĦADIRA

The project is estimated to cost €29.20 million to pursue whilst revenues are projected to amount to €38.96 million. Most of the income from this project is expected to be recognised in FY2026 and FY2027. The units are expected to be constructed in shell form by the end of Q3 2026, whilst finishing works are anticipated to be completed by the end of Q1 2028.

6. NEW PROJECTS

6.1 PEMBROKE (II) DEVELOPMENT

The Pembroke (II) Development is situated in Triq Profs J. E. Debono, Pembroke, and will comprise 2 maisonettes, 4 apartments, 2 duplex penthouses, and 6 garages.

The project is expected to cost approximately €2.50 million to complete and generate €3.38 million in revenue. The development is being financed from the Group's own cash flows and will be completed in shell form by the end of 2025 and finished by the end of 2027.

6.2 PAOLA DEVELOPMENT

The project is estimated to cost €8.20 million to pursue whilst revenues are projected to amount to €9.94 million. Most of the income from this project is expected to be recognised in FY2026 and FY2027. Development works are set to commence in Q1 2025 and the project is expected to be completed by the Q4 2027.

Best Deal Properties Holding p.l.c.
Property Development Projects

	Cost (€'000)	Revenue (€'000)	Start Year	End Year	No. of Commercial Units	No. of Maisonettes	No. of Apartments	No. of Penthouses	Total No. of Residential Units	Total No. of Garages
Completed Projects										
Crystal Court (Marsascala)	3,400	4,800	2016	2018	-	5	18	2	**25**	**30**
Blue Moon Court (Marsascala)	5,500	7,240	2017	2019	-	5	15	3	**23**	**19**
Garnet Court (Mqabba)	6,200	7,610	2018	2021	-	2	23	3	**28**	**33**
Jewel Court (Pembroke)	3,000	4,510	2019	2022	-	2	4	2	**8**	**7**
Lotus Complex (Żabbar)	27,100	37,570	2019	2023	-	24	81	22	**127**	**198**
Laguna Court (Mellieħa)	10,800	15,480	2019	2024	-	7	35	7	**49**	**55**
	56,000	**77,210**			**-**	**45**	**176**	**39**	**260**	**342**
Current Projects										
Città Ferdinand (Siġġiewi)	31,000	42,300	2023	2026	-	20	60	15	**95**	**155**
The Cove (Għadira)	29,200	38,960	2024	2028	-	10	53	2	**65**	**119**
	60,200	**81,260**			**-**	**30**	**113**	**17**	**160**	**274**
New Projects										
Pembroke (II) Development	2,500	3,380	2024	2027	-	2	4	2	**8**	**6**
Paola Development	8,200	9,940	2025	2027	2	2	19	3	**26**	**48**
	10,700	**13,320**			**2**	**4**	**23**	**5**	**34**	**54**
Total	**126,900**	**171,790**			**2**	**79**	**312**	**61**	**454**	**670**

7. FUTURE DEVELOPMENTS

C&E Developments Limited (C 75325), a company jointly owned by Mr Christopher Attard and Mr Erskine Vella, entered into a promise of sale agreement to acquire a site measuring circa 1,500 sqm situated in Bubaqra, Żurrieq (the "**Żurrieq Site**") for a consideration of €3.20 million.

On 2 November 2023, the 2018 Guarantor entered into an assignment agreement with C&E Developments Limited ("the Assignor") wherein the latter promised to cede and assign to the 2018 Guarantor, that promised to accept, all rights and obligations of the Assignor in respect of the Żurrieq Site resulting from the aforementioned promise of sale agreement.

As at the date of this Analysis, the Group has yet to submit a comprehensive planning control application to the Planning Authority in respect of the prospective development of the Żurrieq Site.

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8. SECURITY AND SINKING FUND

8.1 SECURITY

In terms of the Prospectus dated 9 November 2022, the Issuer raised €15 million through the issuance of the **2022 Bonds** for the purpose of part funding Città Ferdinand. The 2022 Bonds are guaranteed by the 2022 Guarantor and secured by the following security rights in favour of the Security Trustee for the benefit of the holders of the 2022 Bonds:

(i) First ranking general hypothec for the full nominal value of the 2022 Bonds and interests thereon over all present and future property of the 2022 Guarantor.

(ii) First ranking special hypothec for the full nominal value of the 2022 Bonds and interests thereon over the Siġġiewi Site together with all and any constructions to be developed thereon.

(iii) Pledge on insurance policy relating to the Siġġiewi Site and development thereon.

(iv) Joint and several guarantee granted by the 2022 Guarantor as security for the punctual performance of the Issuer's payment obligations relating to the 2022 Bonds, subject to the terms and conditions contained in the Security Trust Deed signed between the Issuer, the 2022 Guarantor, and the Security Trustee dated 9 November 2022.

In terms of the Prospectus dated 22 March 2024, the Issuer raised €15 million through the issuance of the **2024 Bonds** for the purpose of part funding The Cove. The 2024 Bonds (I) are guaranteed by the 2024 Guarantor and secured by the following security rights in favour of the Security Trustee for the benefit of the holders of the 2024 Bonds:

(i) First ranking general hypothec for the full nominal value of the 2024 Bonds and interests thereon over all present and future property of the 2024 Guarantor.

(ii) First ranking special hypothec for the full nominal value of the 2024 Bonds and interests thereon over the Għadira Site together with all and any constructions to be developed thereon.

(iii) Pledge on insurance policy relating to the Għadira Site and development thereon.

(iv) Joint and several guarantee granted by the 2024 Guarantor as security for the punctual performance of the Issuer's payment obligations relating to the 2024 Bonds, subject to the terms and conditions contained in the Security Trust Deed signed between the Issuer, the 2024 Guarantor, and the Security Trustee.

8.2 RELEASING OF SECURITY AND SINKING FUNDS

All sale of real estate forming part of the hypothecated properties (as described in Section 8.1 above) are made on condition that the units are released of all hypothecary rights and privileges encumbering the properties being sold. For this purpose, the Security Trustee is empowered to release the hypothecated properties from the security interest encumbering such properties upon receipt by it from the Issuer or from a prospective purchaser a fixed amount of the purchase price attributed to each hypothecated property.

All amounts received by the Security Trustee from the sales proceeds of the hypothecated properties are credited to the sinking funds and retained for the purpose of redeeming the 2022 Bonds and the 2024 Bonds, as the case may be, upon maturity.

In the absence of unforeseen circumstances and subject to there being no material adverse changes in circumstances, the directors of the Issuer are of the view that the percentages available for cash flows that will be credited to the sinking funds will be sufficient to cover the redemption of the 2022 Bonds and the 2024 Bonds upon maturity.

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9. INFORMATION RELATING TO THE ISSUER'S EQUITY

The 3,125,000 ordinary shares of the Issuer, having a nominal value of €0.10 per share, are listed on Prospects MTF pursuant to a Company Admission Document dated 21 August 2019. The key market data as at 31 January 2025 relating to these ordinary shares is provided hereunder:

Best Deal Properties Holding p.l.c. Key Market Data for the financial year 31 December		2021 Actual	2022 Actual	2023 Actual	2024 Forecast	2025 Projection
Total number of shares in issue ('000)	*[A]*	3,125	3,125	3,125	3,125	3,125
Share price (€)	*[B]*	1.60	1.60	1.60	1.60	1.60
Market capitalisation (€'000)	*[A multiplied by B]*	5,000	5,000	5,000	5,000	5,000
Total equity (€'000)	*[C]*	6,894	9,182	8,887	8,226	10,816
Net debt (€'000)	*[D]*	11,542	16,048	16,996	17,931	19,177
Enterprise value (€'000)	*[A multiplied by B] + [D]*	16,542	21,048	21,996	22,931	24,177
EBITDA (€'000)	*[E]*	3,861	3,410	2,130	3,606	4,284
Net profit (€'000)	*[F]*	2,764	2,538	1,130	1,940	2,840
Earnings per share (€)	*[F divided by A]*	0.88	0.81	0.36	0.62	0.91
Net asset value per share (€)	*[C divided by A]*	2.21	2.94	2.84	2.63	3.46
Price-to-earnings ratio (times)	*[A multiplied by B] divided by [F]*	1.81	1.97	4.42	2.58	1.76
Enterprise value-to-EBITDA (times)	*([A multiplied by B] + [D]) divided by [E]*	4.28	6.17	10.33	6.36	5.64
Price-to-net asset value (times)	*[A multiplied by B] divided by [C]*	0.73	0.54	0.56	0.61	0.46
Dividend (€'000)	*[G]*	-	250	250	1,451	250
Net dividend per share (€)	*[G] divided by [A]*	-	0.08	0.08	0.46	0.08
Dividend payout ratio (%)	*[G] divided by [F]*	-	9.85	22.12	74.79	8.80
Net dividend yield (%)	*[G] divided by [A multiplied by B]*	-	5.00	5.00	29.02	5.00

10. INFORMATION RELATING TO THE ISSUER'S BONDS

The Issuer has two bonds which are listed on the Official List of the Malta Stock Exchange. The key information regarding these bonds as at 31 January 2025 is provided in the table below:

Security ISIN	Security	Symbol Code	Amount Issued	Amount Outstanding	Market Price
MT0002121219	4.75% Best Deal Properties Holding p.l.c. 2025-2027 [1]	BD27A	€ 15,000,000	€ 14,725,600	99.00%
MT0002121227	5.75% Best Deal Properties Holding p.l.c. 2027-2029 [2]	BD29A	€ 15,000,000	€ 15,000,000	104.40%
			€ 30,000,000	**€ 29,725,600**	

[1] *2022 Bonds*
[2] *2024 Bonds*

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11. ECONOMIC AND SECTOR ANALYSIS

11.1 ECONOMIC UPDATE[2]

In its latest economic update, the Central Bank of Malta ("**CBM**") noted that the Maltese economy has demonstrated resilience in 2024, with strong economic activity supported by favourable domestic conditions. Moreover, high inflationary pressures continued to ease, contributing to an increase in real disposable income which, in turn, is expected to continue sustaining private consumption growth. However, growth is expected to moderate over the coming years as the economy stabilises and converges towards its potential output by 2027.

The CBM anticipates that real GDP growth will decline from 7.5% in 2023 to 4.9% in 2024, before continuing on a downward trajectory to 3.9% in 2025, 3.6% in 2026, and 3.4% in 2027. This slowdown is largely attributed to a normalisation of economic activity following the rapid expansion witnessed in the past three years. While net exports were the primary driver of growth in 2023, the outlook for the future suggests that domestic demand will take on a more dominant role. Private consumption, which has been growing at a rapid pace, is projected to remain strong, though it will gradually decelerate as households adjust to economic conditions. Investment is also expected to recover following a sharp contraction in 2023, which had been driven by exceptional circumstances within the aviation sector.

Government expenditure will continue to play a stabilising role in economic growth, with public sector investment expected to have increased significantly in 2024 before tapering off in subsequent years. Although government consumption remains steady, it is forecasted to decline slightly as a share of GDP over time. Meanwhile, net exports, particularly in the services sector, are expected to contribute positively to growth, but at a more subdued pace compared to previous years. The trade balance is projected to remain in surplus, supported by the strong performance of Malta's services exports, even as import growth picks up due to rising investment activity.

The labour market is forecast to remain robust, albeit with some moderation in employment growth. Total employment is expected to have increased by 4.0% in 2024, down from 6.1% in 2023, before gradually slowing to 2.3% by 2027. Demand for labour is expected to remain high, but a slowdown in economic expansion and an assumed recovery in productivity will lead to a gradual easing of labour market tightness. Net migration inflows are also expected to decelerate due to policy changes affecting the recruitment of third-country nationals in certain sectors. The unemployment rate, already at historically low levels, is forecast to decline marginally, reaching 3.1% by 2027. Wage growth is projected to have been strong in 2024 as employers continue to adjust compensation to account for past inflationary pressures, particularly in both the public and private sectors. However, as economic conditions stabilise, wage growth is expected to moderate over the forecast period.

Inflation has been on a steady downward trajectory, with the Harmonised Index of Consumer Prices expected to have fallen from 5.6% in 2023 to 2.5% in 2024. This decline is driven by lower food price inflation, subdued increases in non-energy industrial goods, and a stabilisation in services inflation. Inflation is expected to continue easing in subsequent years, reaching 2.2% in 2025 and stabilising at 2.0% in 2026 and 2027. The government's commitment to maintaining stable energy prices will contribute to the moderation of inflationary pressures. Despite this overall decline, services inflation remains a key contributor to price growth due to wage-sensitive components of the economy.

Public finances are expected to improve over the forecast horizon, with the fiscal deficit projected to decline from 4.5% of GDP in 2023 to 2.7% by 2027. This improvement is largely due to a gradual reduction in government expenditure as a share of GDP, particularly in relation to subsidies and inflation-mitigation measures. The widening of income tax bands, announced in the 2025 Budget, is expected to lead to lower tax revenues in the short term but will contribute to higher disposable income and consumer spending. The government debt-to-GDP ratio is expected to rise slightly, reaching 50.9% by 2027, mainly due to continued primary deficits and specific fiscal measures such as the transition from Air Malta to KM Malta Airlines which required significant government equity injections.

Despite the overall positive outlook, several risks remain such as geopolitical tensions, potential shifts in global trade policies, and higher-than-expected US tariffs which could pose downside risks to trade and economic activity. Inflationary risks are slightly tilted to the upside, with possible supply-chain disruptions, higher wage pressures, and climate-related factors contributing to potential inflationary shocks. On the fiscal side, the risk of higher-than-expected government expenditure, particularly in the form of additional energy support measures or increased pension and wage commitments, could challenge the ongoing fiscal consolidation process.

Overall, the Maltese economy is expected to continue expanding over the next few years, albeit at a more moderate pace compared to the recent past. Economic fundamentals remain strong, supported by resilient domestic demand, a healthy labour market, and a stable external position.

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[2] **Source**: Central Bank of Malta, 'Outlook for the Maltese Economy', 16 December 2024, available at: https://www.centralbankmalta.org/archive-economic-projections.

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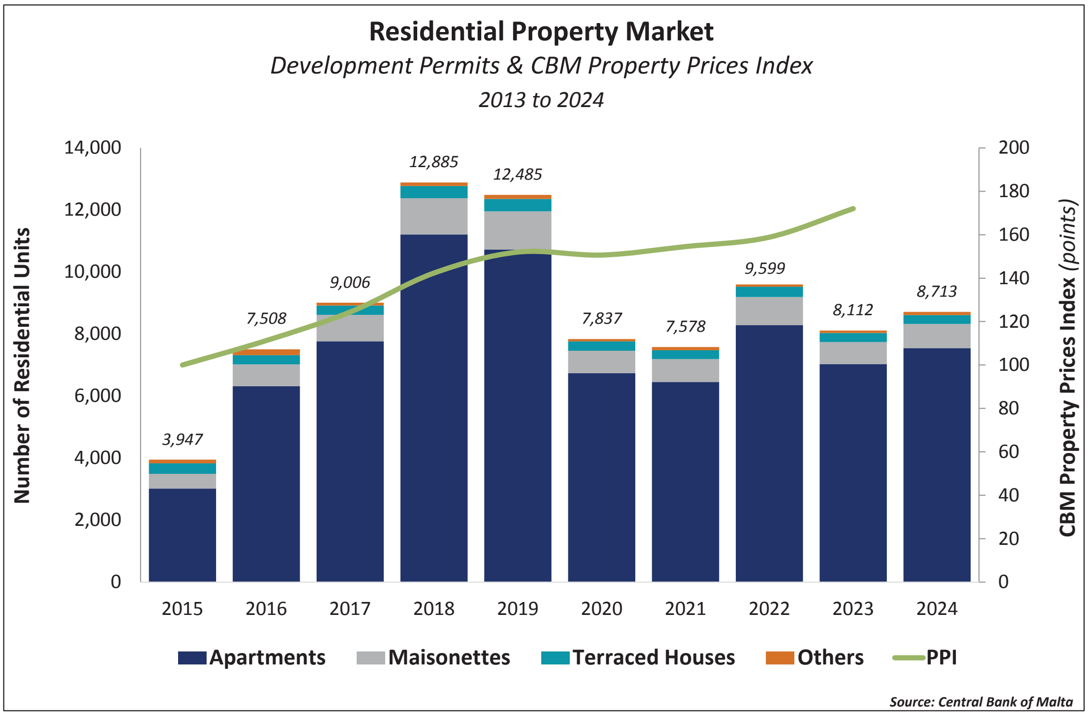
Key Economic Indicators	2023 Actual	2024 Forecast	2025 Forecast	2026 Projection	2027 Projection
Real GDP growth *(% change, year-on-year)*	7.50	4.90	3.90	3.60	3.40
Inflation *(% change, year-on-year)*	5.60	2.50	2.20	2.00	2.00
Unemployment (%)	3.50	3.20	3.20	3.10	3.10
General Government budget balance *(% of GDP)*	(4.50)	(3.90)	(3.50)	(3.00)	(2.70)
Gross public debt *(% of GDP)*	47.40	49.40	50.20	50.80	50.90

11.2 PROPERTY MARKET [3]

DEVELOPMENT PERMITS FOR DWELLINGS

Data provided by the Central Bank of Malta ("**CBM**") and the National Statistics Office (" ") shows that in 2024, the total number of permits for the construction of new dwellings eased by 3.22% to 1,535 permits compared to 1,586 permits issued in 2023. However, the total number of approved new residential units increased by 7.41% year-on-year to 8,713 units (2023: 8,112 units), mostly comprising apartments which totalled 7,540 units (2023: 7,026 apartments) representing 86.54% of the total number of approved new units in 2024. The sharpest year-on-year percentage increase in the number of approved residential units was for the construction of other type of dwellings including villas, bungalows, and farmhouses, which increased by 30.49% to 107 units. These were followed by maisonettes (+9.97% to 783 units compared to 712 units in 2023), and apartments (+7.32%). On the other hand, the total number of approved terraced houses declined by 3.08% in 2024 to 283 units compared to 292 units in 2023.

The highest number of approved new residential units in a single year since Malta adopted the euro was recorded in 2018, with 2,363 permits issued for the construction of a total of 12,885 residential units. In 2019, although the number of permits had increased by 6.69% to 2,521 permits, these were for the construction of 12,485 units which represented a year-on-year decline of 3.10%. Between 2019 and 2021, the total number of approved new residential units trended lower each year, reaching a five-year low of 7,578 units in 2021 before rebounding strongly by 26.67% to 9,599 new units in 2022.



[3] Sources: Central Bank of Bank and National Statistics Office online portals at https://www.centralbankmalta.org/real-economy-indicators and https://nso.gov.mt/property respectively.

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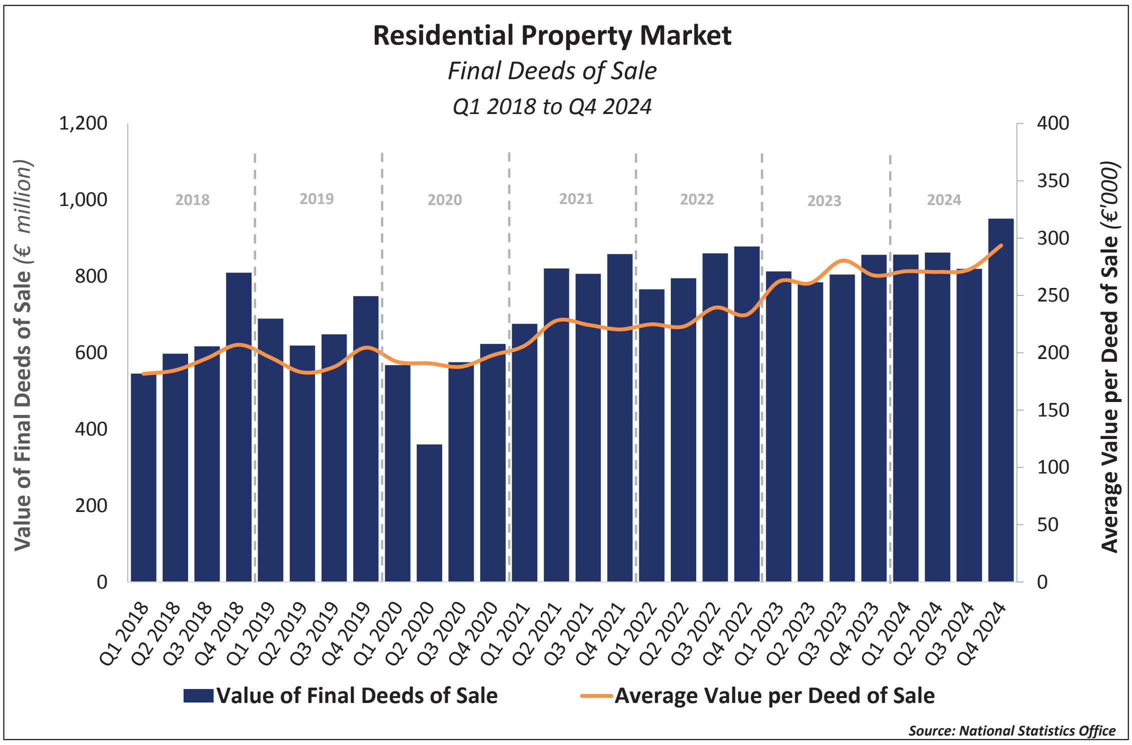
PROPERTY PRICES & TRANSACTIONS

IIn nominal terms, the CBM Property Prices Index – which is based on the advertised sale prices of apartments, maisonettes, terraced houses, and other types of dwellings – stood at 178.38 points in Q3 2024, representing a year-on-year increase of 4.08% over the same period in 2023 (171.38 points). The sharpest year-on-year percentage increase took place in the prices of 'other property' comprising town houses, houses of character, and villas, which advanced by 26.63%. The advertised prices of terraced houses and maisonettes increased by just over 11%, whilst apartments which saw their advertised prices increase by 4.34%.

The NSO Property Price Index – which is based on actual transactions involving apartments, maisonettes, and terraced houses – reached an all-time high of 165.22 points as at the end of Q3 2024 – representing a year-on-year increase of 6.93% in nominal terms. Apartment prices rose by 6.91%, while the increase in maisonette prices was slightly more subdued at 5.84% year-on-year.

A total of 12,594 final deeds of sale relating to residential property were registered in 2024 compared to 12,180 deeds in 2023 and 14,331 deeds in 2022. The total value of final deeds of sale increased by 7.12% in 2024 to a new record of €3.49 billion compared to €3.26 billion in 2023 and €3.30 billion in 2022. Furthermore, the average value per deed of sale increased to €277,100 compared to €267,500 in 2023 and €230,200 million in 2022. Meanwhile, the total number of promise of sale agreements for residential property in 2024 increased year-on-year by 3.06% to 13,588, compared to 13,185 in 2023 and 12,164 in 2022.



PART 2 – GROUP PERFORMANCE REVIEW

12. FINANCIAL HIGHLIGHTS

The historical information is extracted from the audited consolidated annual financial statements of the Issuer for the financial years ending 31 December 2021, 31 December 2022, and 31 December 2023.

The forecast and projected information for the financial years ending 31 December 2024 and 31 December 2025 has been provided by the Group and is based on assumptions deemed reasonable. However, actual outcomes may be affected by unforeseen circumstances, and the variation between forecasts and projections and actual results could be material.

Best Deal Properties Holding p.l.c. **Income Statement** **for the financial year 31 December**	**2021** **Actual** **€'000**	**2022** **Actual** **€'000**	**2023** **Actual** **€'000**	**2024** **Forecast** **€'000**	**2025** **Projection** **€'000**
Revenue	20,060	14,055	14,701	20,801	20,720
Cost of sales	(15,603)	(9,908)	(11,802)	(16,104)	(15,344)
Gross profit	**4,457**	**4,147**	**2,899**	**4,697**	**5,376**
Administrative expenses	(596)	(737)	(769)	(1,091)	(1,092)
EBITDA	**3,861**	**3,410**	**2,130**	**3,606**	**4,284**
Depreciation and amortisation	(67)	(72)	(132)	(1)	(14)
Operating profit	**3,794**	**3,338**	**1,998**	**3,605**	**4,270**
Investment income	-	-	68	-	-
Net finance costs	(122)	(257)	(37)	(30)	-
Profit before tax	**3,672**	**3,081**	**2,029**	**3,575**	**4,270**
Taxation	(908)	(543)	(899)	(1,635)	(1,430)
Profit for the year	**2,764**	**2,538**	**1,130**	**1,940**	**2,840**
Total comprehensive income	**2,764**	**2,538**	**1,130**	**1,940**	**2,840**
Revenue analysis:					
Blue Moon Court (Marsascala)	*459*	*22*	-	-	-
Garnet Court (Mqabba)	*6,900*	*341*	*372*	-	-
The Cove (Għadira)	-	-	-	-	*2,040*
Jewel Court (Pembroke)	*1,272*	*794*	*585*	*1,857*	-
Lotus Complex (Żabbar)	*11,429*	*10,184*	*5,173*	*4,044*	*1,120*
Laguna Court (Mellieħa)	-	*2,714*	*8,541*	*4,224*	-
Città Ferdinand (Siġġiewi)	-	-	*30*	*10,676*	*16,258*
Paola Development	-	-	-	-	*1,005*
Pembroke (II) Development	-	-	-	-	*297*
Total	***20,060***	***14,055***	***14,701***	***20,801***	***20,720***

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Best Deal Properties Holding p.l.c. Key Financial Ratios	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast	FY2025 Projection
Gross profit margin *(Gross profit / revenue)*	22.22	29.51	19.72	22.58	25.95
EBITDA margin (%) *(EBITDA / revenue)*	19.25	24.26	14.49	17.34	20.68
Operating profit margin (%) *(Operating profit / revenue)*	18.91	23.75	13.59	17.33	20.61
Net profit margin (%) *(Profit after tax / revenue)*	13.78	18.06	7.69	9.33	13.71
Return on equity (%) *(Profit after tax / average equity)*	50.15	31.58	12.51	22.67	29.83
Return on assets (%) *(Profit after tax / average assets)*	10.63	8.60	3.29	5.22	6.96
Return on invested capital (%) *(Operating profit / average equity and net debt)*	18.50	15.29	7.82	13.85	15.21
Interest cover (times) *(EBITDA / net finance costs)*	31.65	13.27	57.57	120.20	n/a

Income Statement

In **FY2021**, the Group generated revenues of €20.06 million of which almost 57% (or €11.43 million) derived from the sale of property forming part of Lotus Complex, whilst circa 34% (or €6.90 million) emanated from Garnet Court. The remaining portion of income came from the sale of property within Jewel Court (€1.27 million) and Blue Moon Court (€0.46 million).

EBITDA for the year amounted to €3.86 million which translated into a margin of 19.25%. In view of the strong increase in property sales, the interest cover improved markedly year-on-year to 31.65 times.

Overall, the Group reported a net profit of €2.76 million which translated into a margin of 13.78%. The higher level of profits also translated into a higher return on equity of 50.15% and a return on assets of 10.63%.

In **FY2022**, revenues amounted to €14.06 million reflecting the income derived from five development projects – namely those located in Żabbar (€10.18 million), Mellieħa (€2.71 million), Pembroke (€0.79 million), Mqabba (€0.34 million), and Marsascala (€0.02 million). Despite the drop in revenue when compared to FY2021 which also resulted in a contraction in EBITDA and net profit to €3.41 million and €2.54 million respectively, the EBITDA margin improved to 24.26% whilst the net profit margin exceeded the 18% level. In contrast, the return on equity and the return on assets retracted to 31.58% and 8.60% respectively. Likewise, the interest cover eased to 13.27 times.

In **FY2023**, the Group generated revenues of €14.70 million most of which (€13.71 million) derived from the sale of property forming part of Laguna Court (€8.54 million) and Lotus Complex (€5.17 million). On the other hand, income from the sale of property forming part of Jewel Court and Garnet Court only amounted to €0.59 million and €0.37 million respectively.

Despite the 4.60% increase in revenues, EBITDA contracted by 37.54% year-on-year to €2.13 million amid a considerable increase in cost of sales to €11.80 million (FY2022: €9.91 million).[4] As a result, the EBITDA margin retracted to 14.49%. On the other hand, in view of the marked drop in net finance costs, the interest cover improved to 57.57 times.[5]

[4] Cost of sales comprise development costs including land acquisition, permit fees, professional services, demolition, excavation, construction, finishing costs, sales commission, finance costs, and waiver fees.

[5] In accordance with the Group's accounting policies, borrowing costs directly attributable to the acquisition, construction, and finishing of the real estate development projects are capitalized as part of inventories, in line with IAS 23 – Borrowings.

Overall, BDPH registered a net profit of €1.13 million which translated into a margin of 7.69%. The return on equity and the return on assets also drifted lower to 12.51% and 3.29% respectively.

For **FY2024**, revenues are now expected to amount to €20.80 million as opposed to the previous forecast of €21.23 million. Compared to the estimates provided in the Analysis dated 24 May 2024, the Group is forecasting lower level of sales from Jewel Court (-€0.11 million to €1.86 million), Città Ferdinand (-€0.23 million to €10.68 million), and Laguna Court (-€1.20 million to €4.22 million). On the other hand, revenues from the sale of property forming part of Lotus Complex is anticipated to be higher by €1.12 million and amount to €4.04 million compared to the prior estimate of €2.93 million. The aforementioned decrease in projected sales for FY2024 is attributed to delays in signing a number of sales contracts. The execution of these contracts will take place in FY2025.

In view of the downward revision in revenues, EBITDA is now expected to amount to €3.61 million compared to the prior forecast of €4.23 million which, however, would still represent a year-on-year increase of almost 70%. Accordingly, the interest cover is forecasted to improve further to 120.20 times whilst the EBITDA margin is also expected to increase by 285 basis points year-on-year to 17.34%.

The net profit for the year is anticipated to be at €1.94 million which would translate into a margin of 9.33%. When compared to FY2023, the Issuer is also forecasting an improvement in the return on equity and the return on assets to 22.67% and 5.22% respectively.

In **FY2025,** the Group is expecting to generate most of its income from the sale of the properties forming part of Città Ferdinand. Indeed, this project is expected to contribute 78.47% (or €16.26 million) of next year's projected total revenues of €20.72 million, with the remaining income reflecting the sale of properties forming part of The Cove (€2.04 million), Lotus Complex (€1.12 million), Paola Development (€1.01 million), and Pembroke (II) Development (€0.30 million).

Despite the expected year-on-year marginal drop of 0.39% in revenue, EBITDA is projected to increase by 18.80% to €4.28 million reflecting the lower level of cost of sales which are expected to amount to €15.34 million compared to the forecasted figure of €16.10 million in FY2024. Accordingly, the Group is projecting a further improvement of 334 basis points in the EBITDA margin to 20.68%.

After accounting for tax charges of €1.43 million[6], BDPH expects to register a net profit of €2.84 million and a margin of 13.71%. The return on equity and the return on assets are also projected to trend higher to 29.83% and 6.96% respectively.

Best Deal Properties Holding p.l.c. **Statement of Cash Flows** **for the financial year 31 December**	**2021** **Actual** **€'000**	**2022** **Actual** **€'000**	**2023** **Actual** **€'000**	**2024** **Forecast** **€'000**	**2025** **Projection** **€'000**
Net cash from / (used in) operating activities	7,134	(3,902)	646	1,848	(626)
Net cash from / (used in) investing activities	(2,490)	(1,680)	2,056	(162)	2,605
Free cash flow	**4,644**	**(5,582)**	**2,702**	**1,686**	**1,979**
Net cash from / (used in) financing activities	(4,835)	6,589	(1,970)	4,725	(1,965)
Net movement in cash and cash equivalents	**(191)**	**1,007**	**732**	**6,411**	**14**
Cash and cash equivalents at beginning of year	438	247	1,254	1,986	8,397
Cash and cash equivalents at end of year	**247**	**1,254**	**1,986**	**8,397**	**8,411**

[6] The Group is taxed at 8% final withholding tax on the sale of properties, 15% on bank interest receivable, and any remaining profits are taxed at 35%.

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Statement of Cash Flows

In **FY2021**, the Group registered an adverse net movement in cash and cash equivalents amounting to €0.19 million. Net cash from operating activities amounted to €7.13 million, mainly on account of a positive movement in working capital (+€4.22 million). Net cash used in investing activities stood at €2.49 million and represented amounts paid into the sinking funds. During the year, the Issuer repaid a net amount of €2.89 million of bank borrowings and transferred a further €1.79 million to the Security Trustee for the purpose of repurchasing an equivalent amount of 2018 Bonds from the secondary market. These were accounted for as part of the amount of net cash used in financing activities which in FY2021 totalled €4.84 million.

In **FY2022,** the Issuer recorded a positive net movement in cash and cash equivalents of €1.01 million. Net cash used in operating activities amounted to €3.90 million, mainly impacted by the €6.76 million increase in inventories. Net cash used in investing activities stood at €1.68 million and largely represented amounts paid into the sinking funds. The latter totalled €5.04 million as at the end of 2022 (31 December 2021: €3.37 million), of which €0.37 million were held in relation to the 2018 Bonds whilst the remaining €4.67 million were held in relation to the 2022 Bonds.

Net cash flows from financing activities amounted to €6.59 million and represented proceeds from the issuance of the 2022 Bonds (€14.65 million) as well as the payment of dividends (€0.25 million), interest (€0.28 million) and borrowings (€7.54 million). The latter included the repurchase and cancellation of €6.90 million of 2018 Bonds from the secondary market. Overall, the Group ended the 2022 financial year with a cash balance of €1.25 million compared to €0.25 million as at 31 December 2021.

BDPH registered a positive net movement of €0.73 million in cash and cash equivalents in **FY2023** as the amount of €2.70 million in free cash flow generated throughout the year outweighed the amount of €1.97 million used in financing activities. As a result, the Group ended the year with a cash balance of almost €2 million.

Net cash from operating activities amounted to €0.65 million and included an adverse movement of €0.66 million in working capital.

Within investing activities, the Group's cash flows were positively impacted from a reduction in the amounts held in the sinking funds (€5.04 million). On the other hand, the Issuer used a net amount of €2.98 million for the purchase of financial assets.

In terms of financing activities, the Group used €1.17 million for the partial repayment of shareholders' loans. During FY2023, BDPH also paid €0.25 million in dividends and used €0.49 million for the repurchase and cancellation of 2018 Bonds.

For **FY2024**, the Issuer is expecting a net positive movement in cash and cash equivalents of €6.41 million. BDPH is anticipating generating €1.85 million from operating activities, while cash outflows for investing purposes is expected to amount to €0.16 million. Cash inflows from financing activities is projected at €4.73 million.

Cash flows from operating activities are anticipated to be negatively affected by adverse movements in working capital, largely reflecting the projected increase in inventories resulting from the acquisition of the Għadira Site, and the progress in relation to be projects located in Siġġiewi and Għadira.

Within investing activities, the forecasted contribution to the sinking funds amounting to €3.15 million is mostly offset by the net proceeds of €2.98 million from the sale of financial assets.

In terms of financing activities, during H1 2024, the Group issued the 2024 Bonds, the net proceeds of which were used to cancel most of the outstanding amount of the 2018 Bonds[7] and fund the acquisition of the Għadira Site and related costs of acquisition. On 12 December 2024, the Group redeemed the outstanding amount of €1.24 million relating to the 2018 Bonds upon maturity. The forecasts also account for payment of shareholders' loans amounting to €2.35 million[8] and dividends totalling €1.45 million.

During **FY2025**, the Issuer is projecting a net positive movement of €14,000 in cash and cash equivalents, thus ending the year with a balance of €8.41 million compared to the forecasted figure of €8.40 million as at 31 December 2024.

[7] An aggregate amount of just under €4.84 million were surrendered by holders of the 2018 Bonds in exchange for the 2024 Bonds.

[8] Of these, €1.15 million was classified as 'other equity' as at the end of FY2023, whilst the remaining €1.20 million was classified as current liability.

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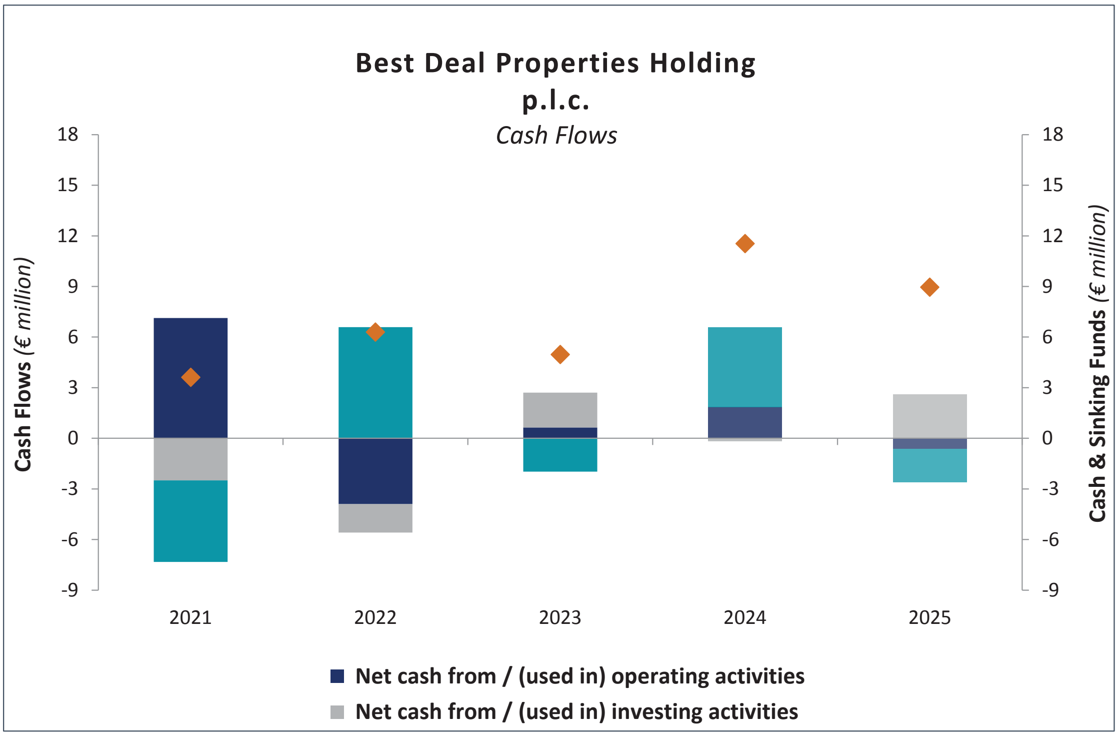
Net cash used in operating activities is projected to amount to €0.63 million, while investing activities is expected to show a net inflow of €2.61 million. The former includes adverse movements in working capital mostly driven by an increase in inventories, which also includes the acquisition of the Paola Site and initial excavation and construction costs. On the other hand, within investing activities, the Group anticipates a net reduction of €2.61 million in the sinking funds reflecting the utilisation of the reserves appertaining to the 2022 Bonds (€3.15 million) and a contribution of €0.54 million towards the 2024 Bonds sinking fund.

Net cash used in financing activities is projected to amount to €1.97 million, comprising a reduction in the outstanding amount of 2022 Bonds to €6.59 million from €14.80 million as at the end of FY2024, and the payment of dividends totalling €0.25 million. Inflows include the net proceeds of €6.70 million from the issue of the 2025 Bonds.



Best Deal Properties Holding p.l.c.					
Statement of Financial Position					
as at 31 December	**2021**	**2022**	**2023**	**2024**	**2025**
	Actual	**Actual**	**Actual**	**Forecast**	**Projection**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**
ASSETS					
Non-current assets					
Property, plant and equipment	1	1	-	-	629
Intangible assets	43	47	46	44	43
Deferred tax asset	108	226	225	225	225
2018 Bonds sinking fund	3,365	369	-	-	-
2022 Bonds sinking fund	-	4,671	-	3,147	-
2024 Bonds sinking fund	-	-	-	-	543
	3,517	**5,314**	**271**	**3,416**	**1,440**
Current assets					
Inventories	19,626	26,389	26,114	26,775	30,724
Trade and other receivables	1,148	1,523	2,912	1,459	967
Income tax assets	23	2	-	-	-
Cash and cash equivalents	247	1,254	1,986	8,397	8,411
2018 Bonds sinking fund	-	-	2,984	-	-
	21,044	**29,168**	**33,996**	**36,631**	**40,102**
Total assets	**24,561**	**34,482**	**34,267**	**40,047**	**41,542**
EQUITY					
Capital and reserves					
Called up share capital	313	313	313	313	313
Share premium	938	938	938	938	938
Shareholders' loans	2,325	2,325	1,150	-	-
Retained earnings	3,318	5,606	6,486	6,975	9,565
	6,894	**9,182**	**8,887**	**8,226**	**10,816**
LIABILITIES					
Non-current liabilities					
2018 Bonds	13,294	6,464	-	-	-
2022 Bonds	-	14,658	14,722	14,795	-
2024 Bonds	-	-	-	14,680	14,760
2025 Bonds	-	-	-	-	6,786
Shareholders' loans	1,200	1,200	-	-	-
	14,494	22,322	14,722	29,475	21,546
Current liabilities					
2018 Bonds	-	-	6,044	-	-
2022 Bonds	-	-	-	-	6,585
Bank borrowings	660	-	-	-	-
Shareholders' loans	-	20	1,200	-	-
Trade and other payables	2,513	2,958	3,414	2,346	2,595
	3,173	**2,978**	**10,658**	**2,346**	**9,180**
Total liabilities	**17,667**	**25,300**	**25,380**	**31,821**	**30,726**
Total equity and liabilities	**24,561**	**34,482**	**34,267**	**40,047**	**41,542**
Total debt	*15,154*	*22,342*	*21,966*	*29,475*	*28,131*
Net debt	*11,542*	*16,048*	*16,996*	*17,931*	*19,177*
Invested capital (total equity plus net debt)	*18,436*	*25,230*	*25,883*	*26,157*	*29,993*

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Best Deal Properties Holding p.l.c. Key Financial Ratios	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast	FY2025 Projection
Net debt-to-EBITDA (times) *(Net debt / EBITDA)*	2.99	4.71	7.98	4.97	4.48
Net debt-to-equity (times) *(Net debt / total equity)*	1.67	1.75	1.91	2.18	1.77
Net gearing (%) *(Net debt / net debt and total equity)*	62.61	63.61	65.66	68.55	63.94
Debt-to-assets (times) *(Total debt / total assets)*	0.62	0.65	0.64	0.74	0.68
Leverage (times) *(Total assets / total equity)*	3.56	3.76	3.86	4.87	3.84
Current ratio (times) *(Current assets / current liabilities)*	6.63	9.79	3.19	15.61	4.37

STATEMENT OF FINANCIAL POSITION

The Group's statement of financial position as at 31 December **2021** comprised total assets of €24.56 million primarily made up of inventories (€19.63 million – being property development work-in-progress) and cash balances (€3.61 million when including the amounts held in sinking funds).

Total equity increased by €2.76 million to €6.89 million on account of the net profit registered during the year. On the other hand, total liabilities contracted by €5.66 million year-on-year to €17.67 million as the Group reduced its total debt by €4.64 million to €15.15 million. Other liabilities included deposits received on POS agreements amounting to €0.94 million.

As a result of the expansion in the equity base and the drop in indebtedness, the net gearing ratio and the net debt-to-equity ratio slipped to 62.61% and 1.67 times respectively. Similarly, the leverage ratio improved to 3.56 times and the debt-to-assets ratio eased to 0.62 times.

During **FY2022,** total assets increased by 40.39% to €34.48 million principally reflecting the increase in inventories to €26.39 million. Similarly, total liabilities rose by 43.19% to €25.30 million as the Group increased its total borrowings by 47.42% to €22.34 million amid the issuance of the 2022 Bonds in Q4 2022. Nonetheless, the net gearing ratio only increased to 63.61% reflecting the strengthening of BDPH's equity base to €9.18 million (+33.19%). Likewise, the net debt-to-equity ratio and the leverage ratio trended marginally higher to 1.75 times and 3.76 times respectively.

In **FY2023**, total assets and liabilities remained virtually unchanged at €34.27 million and €25.38 million respectively. Likewise, total debt stayed close to the €22 million level albeit the net debt-to-equity ratio and the net gearing ratio trended marginally higher to 1.91 times and 65.66% respectively reflecting both a reduction in cash balances and sinking funds to €4.97 million (31 December 2022: €6.29 million), as well as a minor contraction in equity to €8.89 million. Similarly, the Group's leverage ratio increased to 3.86 times while the debt-to-assets ratio stayed trended slightly lower to 0.64 times compared to 0.65 times as at the end of FY2022.

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For **FY2024**, the Group is projecting a notable increase in total assets and liabilities to €40.05 million and €31.82 million respectively. The sharpest year-on-year movements are expected to be in relation to the level of cash (+€6.41 million), and debt (+€7.51 million to €29.48 million) reflecting the issuance of the 2024 Bonds and redemption of the 2018 Bonds. The forecasts also include the repayment of shareholders' loans (classified within liabilities) amounting to €1.20 million, leaving the Group with debt securities as its sole source of borrowings.

The Issuer is estimating its net gearing ratio and net debt-to-equity ratio to trend higher to 68.55% and 2.18 times respectively. Similarly, the debt-to-assets ratio and the leverage ratio are expected to deteriorate to 0.74 times and 4.87 times respectively. On the other hand, given the estimated year-on-year upsurge in EBITDA, the net debt-to-EBITDA multiple is projected to ease to 4.97 times compared to almost 8 times in FY2023.

The FY2025 projections include a reduction in total liabilities (-€1.09 million to €30.73 million) and an increase in total assets (+€1.49 million to €41.54 million), thus leading to a stronger equity position which is expected to reach €10.82 million (+€2.59 million).

The sharpest year-on-year movement within assets is projected to be in relation to the level of inventories which comprises the acquisition of the Paola site and initial works thereon. On the other hand, sinking fund balances are expected to decrease by €2.60 million following the repayment of outstanding bonds.

During the year, the Issuer expects to raise €7 million from the issue of the 2025 Bonds, thereby resulting in an increase in net debt of €1.25 million from the comparable period to €19.18 million.

Overall, all debt metrics are projected to improve year-on-year, with the net gearing ratio and net debt-to-equity ratio easing to 63.94% and 1.77 times respectively. Likewise, the debt-to-assets ratio is anticipated to slip to 0.68 times whilst the leverage ratio reverting below 4 times. Furthermore, coupled with the anticipated growth in EBITDA, the net debt-to-EBITDA multiple is projected to trend lower to 4.48 times.

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PART 3 – COMPARATIVE ANALYSIS

The table below provides a comparison between the Group and its bonds with other debt issuers and their respective debt securities listed on the Official List of the Malta Stock Exchange. Although there are significant variances between the activities of the Group and those of other debt issuers (including different industries, principal markets, competition, capital requirements etc.), and material differences between the risks associated with the Group's business/es and those of other debt issuers, the comparative analysis illustrated in the table below serves as an indication of the relative financial strength and creditworthiness of the Group.

Comparative Analysis*	Amount Issued	Yield-to-Maturity / Worst	Interest Cover	Net Debt-to-EBITDA	Net Gearing	Debt-to-Assets
	(€'000)	*(%)*	*(times)*	*(times)*	*(%)*	*(times)*
5.10% 6PM Holdings p.l.c. Unsecured 2025**	13,000	2.95	16.04	0.65	17.79	0.20
4.50% Hili Properties p.l.c. Unsecured & Guaranteed 2025	37,000	2.67	1.80	8.70	46.06	0.45
5.75% International Hotel Investments p.l.c. Unsecured 2025	45,000	5.52	1.61	10.49	43.07	0.41
3.25% AX Group p.l.c. Unsecured 2026	15,000	3.39	1.24	21.28	39.42	0.36
4.25% CPHCL Finance p.l.c. Unsecured & Guaranteed 2026	40,000	4.52	1.45	11.49	43.52	0.41
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	5.30	2.27	8.24	80.39	0.57
4.35% Hudson Malta p.l.c. Unsecured & Guaranteed 2026	12,000	4.83	5.64	6.37	77.20	0.60
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	4.34	1.61	10.49	43.07	0.41
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	5.11	1.61	10.49	43.07	0.41
3.75% Premier Capital p.l.c. Unsecured 2026	65,000	3.74	10.89	2.16	65.14	0.57
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	3.99	5.43	4.21	26.73	0.24
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	4.00	4.60	4.44	69.59	0.61
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	4.35	5.42	2.67	20.40	0.19
4.35% SD Finance p.l.c. Unsecured & Guaranteed 2027	65,000	4.83	5.86	2.93	30.32	0.34
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	3.99	5.67	4.17	22.93	0.21
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	14,726	5.13	57.57	7.98	65.66	0.64
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	23,000	4.75	n/a	3.47	55.05	0.56
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	4.45	4.60	4.44	69.59	0.61
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	4.57	5.42	2.67	20.40	0.19
5.75% Plan Group p.l.c. Secured & Guaranteed 2028	12,000	4.65	7.37	9.26	54.58	0.48
3.75% AX Group p.l.c. Unsecured 2029	10,000	3.75	1.24	21.28	39.42	0.36
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.54	4.60	4.44	69.59	0.61
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.86	4.60	4.44	69.59	0.61
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	4.37	5.67	4.17	22.93	0.21
5.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2027-2029	15,000	4.57	57.57	7.98	65.66	0.64
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	5.22	1.81	6.89	96.76	0.83
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	4.51	1.61	10.49	43.07	0.41
5.35% Best Deal Properties Holding p.l.c. Unsecured 2032	7,000	5.35	57.57	7.98	65.66	0.64
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	4.10	2.04	12.44	49.30	0.45
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.24	4.89	6.08	50.77	0.50
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.12	1.24	21.28	39.42	0.36
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.27	1.61	10.49	43.07	0.41
5.35% Hal Mann Vella Group p.l.c. Secured 2031-2034	23,000	4.73	2.21	9.47	51.49	0.43
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	4.50	3.09	16.34	74.89	0.65
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.12	1.13	39.37	60.27	0.55

As at 31 January 2025

***** The financial ratios pertain to Idox p.l.c..***

Sources: Malta Stock Exchange

M.Z. Investment Services Limited

Most recent audited annual financial statements except for Juel Group p.l.c. (FY2024 forecast, as included in the Financial Analysis Summary dated 28 June 2024).

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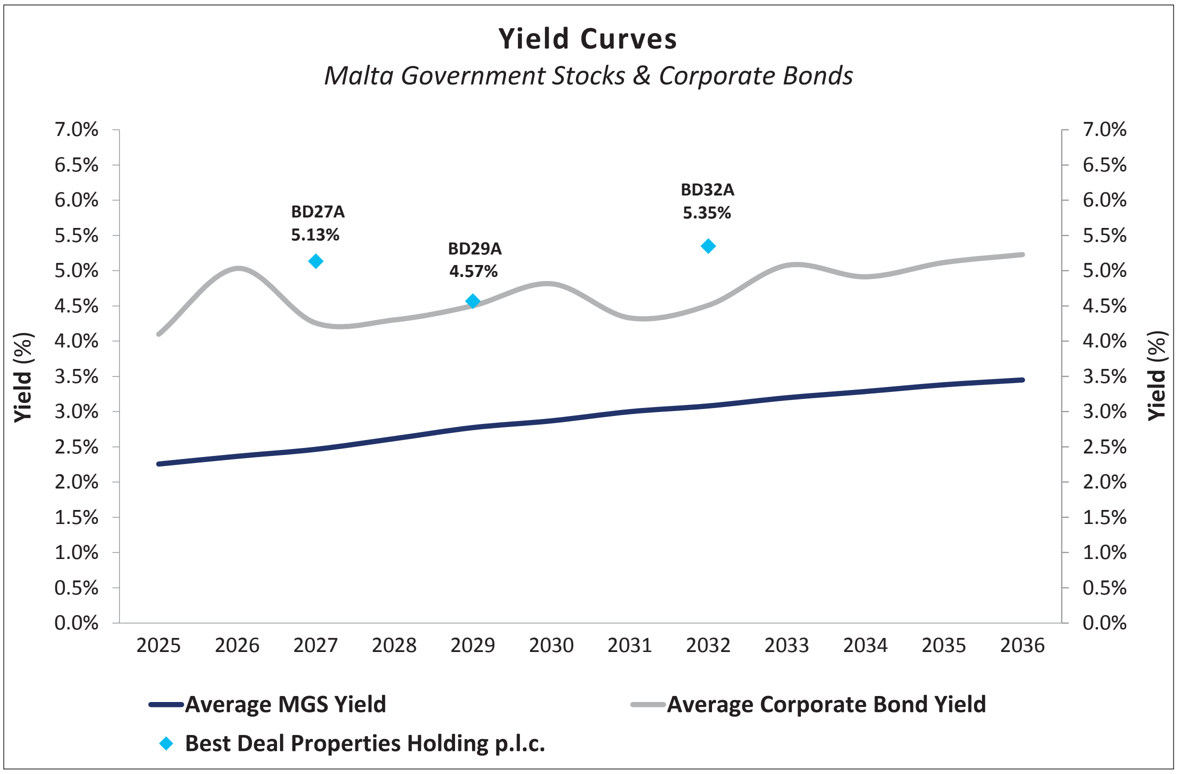

The closing market price as at 31 January 2025 for the **4.75% Best Deal Properties Holding p.l.c. secured and guaranteed bonds 2025-2027** (BD27A) was 99.00%. This translated into a yield-to-maturity ("**YTM**") of 5.13% which was 87 basis points above the average YTM of 4.26% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (2.47%) stood at 266 basis points.

The closing market price as at 31 January 2025 for the **5.75% Best Deal Properties Holding p.l.c. secured and guaranteed bonds 2027-2029** (BD29A) was 104.40%. This translated into a YTM of 4.57% which was 7 basis points above the average YTM of 4.50% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (2.77%) stood at 180 basis points.

The new **5.35% Best Deal Properties Holding p.l.c. unsecured bonds 2032** (BD32A) have been priced at a premium of 84 basis points over the average YTM of 4.51% of other local corporate bonds maturing in the same year as at 31 January 2025. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (3.08%) stood at 227 basis points.

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PART 4 - EXPLANATORY DEFINITIONS

INCOME STATEMENT	
Revenue	Total income generated from business activities.
EBITDA	Earnings before interest, tax, depreciation, and amortisation. It is a metric used for gauging operating performance excluding the impact of capital structure. EBITDA is usually interpreted as a loose proxy for operating cash flows.
Adjusted operating profit / (loss)	Profit (or loss) from core operations, excluding movements in the fair value of investment property, share of results of associates and joint ventures, net finance costs, and taxation.
Operating profit / (loss)	Profit (or loss) from operating activities, including movements in the fair value of investment property but excluding the share of results of associates and joint ventures, net finance costs, and taxation.
Share of results of associates and Joint ventures	Share of profit (or loss) from entities in which the company does not have a majority shareholding.
Profit / (loss) after tax	Net profit (or loss) registered from all business activities.
PROFITABILITY RATIOS	
EBITDA margin	EBITDA as a percentage of revenue.
Operating profit margin	Operating profit (or loss) as a percentage of total revenue.
Net profit margin	Profit (or loss) after tax as a percentage of total revenue.
Return on equity	Measures the rate of return on net assets and is computed by dividing the net profit (or loss) for the year by average equity.
Return on assets	Measures the rate of return on assets and is computed by dividing the net profit (or loss) for the year by average assets.
Return on invested capital	Measures the rate of return from operations and is computed by dividing operating profit (or loss) for the year by the average amount of equity and net debt.
STATEMENT OF CASH FLOWS	
Net cash from / (used in) operating activities	The amount of cash generated (or consumed) from the normal conduct of business.
Net cash from / (used in) investing activities	The amount of cash generated (or consumed) from activities related to the acquisition, disposal, and/or development of long-term assets and other investments.
Net cash from / (used in) financing activities	The amount of cash generated (or consumed) that have an impact on the capital structure, and thus result in changes to share capital and borrowings.
Free cash flow	Represents the amount of cash generated (or consumed) from operating activities after considering any amounts of capital expenditure.
STATEMENT OF FINANCIAL POSITION	
Non-current assets	These represent long-term investments which full value will not be realised within the next twelve months. Such assets, which typically include property, plant, equipment, and investment property, are capitalised rather than expensed, meaning that the amortisation of the cost of the asset takes place over the number of years for which the asset will be in use. This is done instead of allocating the entire cost to the accounting year in which the asset was acquired.
Current assets	All assets which could be realisable within a twelve-month period from the date of the Statement of Financial Position. Such amounts may include development stock, accounts receivable, cash and bank balances.

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Non-current liabilities	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
Current liabilities	Liabilities which fall due within the next twelve months from the date of the Statement of Financial Position, and typically include accounts payable and short-term debt.
Total equity	Represents the residual value of the business (assets minus liabilities) and typically includes the share capital, reserves, as well as retained earnings..
FINANCIAL STRENGTH / CREDIT RATIOS	
Interest cover	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
Net debt-to-EBITDA	Measures how many years it will take a company to pay off its net interest-bearing liabilities (including lease liabilities) from EBITDA, assuming that net debt and EBITDA are held constant.
Net debt-to-equity	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
Net gearing	Shows the proportion of equity and net debt used to finance a company's business and is calculated by dividing net debt by the level of invested capital..
Debt-to-assets	Shows the degree to which a company's assets are funded by debt and is calculated by dividing all interest-bearing liabilities (including lease liabilities) by total assets.
Leverage	Shows how many times a company is using its equity to finance its assets.
Current ratio	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.

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