SUMMARY NOTE

Dated 23 March 2018

This Summary Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of the 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013, Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 and Commission Delegated Regulation (EU) No. 2016/301 of 30 November 2015.

In respect of an issue of:

€12,000,000 4.35% Unsecured Bonds 2026

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

(the "Bonds")

HUDSON MALTA PLC

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED IN MALTA
WITH COMPANY REGISTRATION NUMBER C 83425

with the joint and several Guarantee* of
Time International (Sport) Limited (C 32438) and Hudson International Company Limited (C 48705)

ISIN:- MT0001811208

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

Sponsor, Manager & Registrar

CHARTS
WEALTH MANAGEMENT • CORPORATE BROKING

Legal Counsel

GVZH
ADVOCATES

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

THE LISTING 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 HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.

APPROVED BY THE DIRECTORS

George Amato | **Alfred Borg** | **Kevin Grech** | **Christopher Muscat** | **Victor Spiteri** | **Kevin Valenzia** | **Brian Zarb Adami**

IMPORTANT INFORMATION

THIS SUMMARY NOTE CONSTITUTES PART OF A PROSPECTUS AND CONTAINS INFORMATION IN RELATION TO HUDSON MALTA P.L.C. IN ITS CAPACITY AS ISSUER AND TIME INTERNATIONAL (SPORT) LIMITED AND HUDSON INTERNATIONAL COMPANY LIMITED AS GUARANTORS. THIS DOCUMENT INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: (A) THE COMPANIES ACT, (CAP. 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS (AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013, COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014 AND COMMISSION DELEGATED REGULATION (EU) NO. 2016/301 OF 30 NOVEMBER 2015); AND (B) THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MSE.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, THE GUARANTORS OR THEIR RESPECTIVE DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF BONDS OF THE ISSUER OTHER THAN THOSE CONTAINED IN THE PROSPECTUS AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, THE GUARANTORS, THEIR RESPECTIVE DIRECTORS, OR ADVISORS.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT 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 THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY AND THE MSE, AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES. APPLICATION HAS BEEN MADE TO THE MSE FOR THE BONDS TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE. **A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.**

THE CONTENTS OF THE MALTA GROUP'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE MALTA GROUP'S WEBSITE DO NOT FORM PART OF THIS DOCUMENT. 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 THE BONDS.

ALL THE ADVISORS TO THE ISSUER AND GUARANTORS HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND GUARANTORS IN RELATION TO THIS PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON. NONE OF THE ADVISORS ACCEPT ANY RESPONSIBILITY TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE CONTENTS OF, AND ANY INFORMATION CONTAINED IN, THE PROSPECTUS, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH.

THE DIRECTORS OF THE ISSUER CONFIRM THAT WHERE INFORMATION INCLUDED IN THIS PROSPECTUS HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED, AND AS FAR AS THE DIRECTORS OF THE ISSUER ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE WITH RESPECT TO THE BOND ISSUE, YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENSED UNDER THE INVESTMENT SERVICES ACT, CAP. 370 OF THE LAWS OF MALTA.

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA, AND ANY PERSON ACQUIRING ANY BONDS PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE ISSUER AND/OR GUARANTORS TO BRING ANY ACTION, SUIT OR PROCEEDING, IN ANY OTHER COMPETENT JURISDICTION, ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF BONDS, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE.

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

THE LISTING 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 HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS.

This Summary Note is prepared in accordance with the requirements of the Regulation.

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1– E.7). This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

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

SECTION A INTRODUCTION AND WARNINGS

A.1 Prospective investors are hereby warned that:

i. This summary is being provided to convey the essential characteristics and risks associated with the Issuer and the securities being offered pursuant to this document. This part is merely a summary and therefore should only be read as an introduction 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. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;
ii. Where a claim relating to the information contained in this 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
iii. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, and who applied for its notification, but only if the summary, when read together with the other parts of the Prospectus: is misleading, inaccurate or inconsistent; or does not provide key information in order to aid investors when considering whether to invest in such securities.

A.2 Consent required in connection with the use of the Prospectus by the Authorised Financial Intermediaries

Prospective investors are hereby informed that:

i. for the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries and any subsequent resale, placement or other offering of Bonds by such Authorised Financial Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Directive, 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:
    a. in respect of Bonds subscribed for through Authorised Financial Intermediaries during the Offer Period;
    b. to any resale or placement of Bonds subscribed for as aforesaid taking place in Malta;
    c. 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.
ii. **in the event of a resale, placement or other offering of Bonds by an Authorised Financial Intermediary, the Authorised Financial Intermediary shall be responsible to provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.**

SECTION B ISSUER AND GUARANTORS

B.1
B.19 The legal and commercial name of the Issuer is Hudson Malta p.l.c. The legal and commercial name of each of the Guarantors is Time International (Sport) Limited ("**TISL**") and Hudson International Company Limited ("**HICL**").

B.2
B.19 The Issuer was registered in Malta in terms of the Act on 10 November 2017 as a public limited liability company. The Issuer is domiciled in Malta. TISL was registered in Malta in terms of the Act on 14 November 2003 as a private limited liability company and is domiciled in Malta. HICL was registered in Malta in terms of the Act on 20 January 2010 as a private limited liability company and is domiciled in Malta.

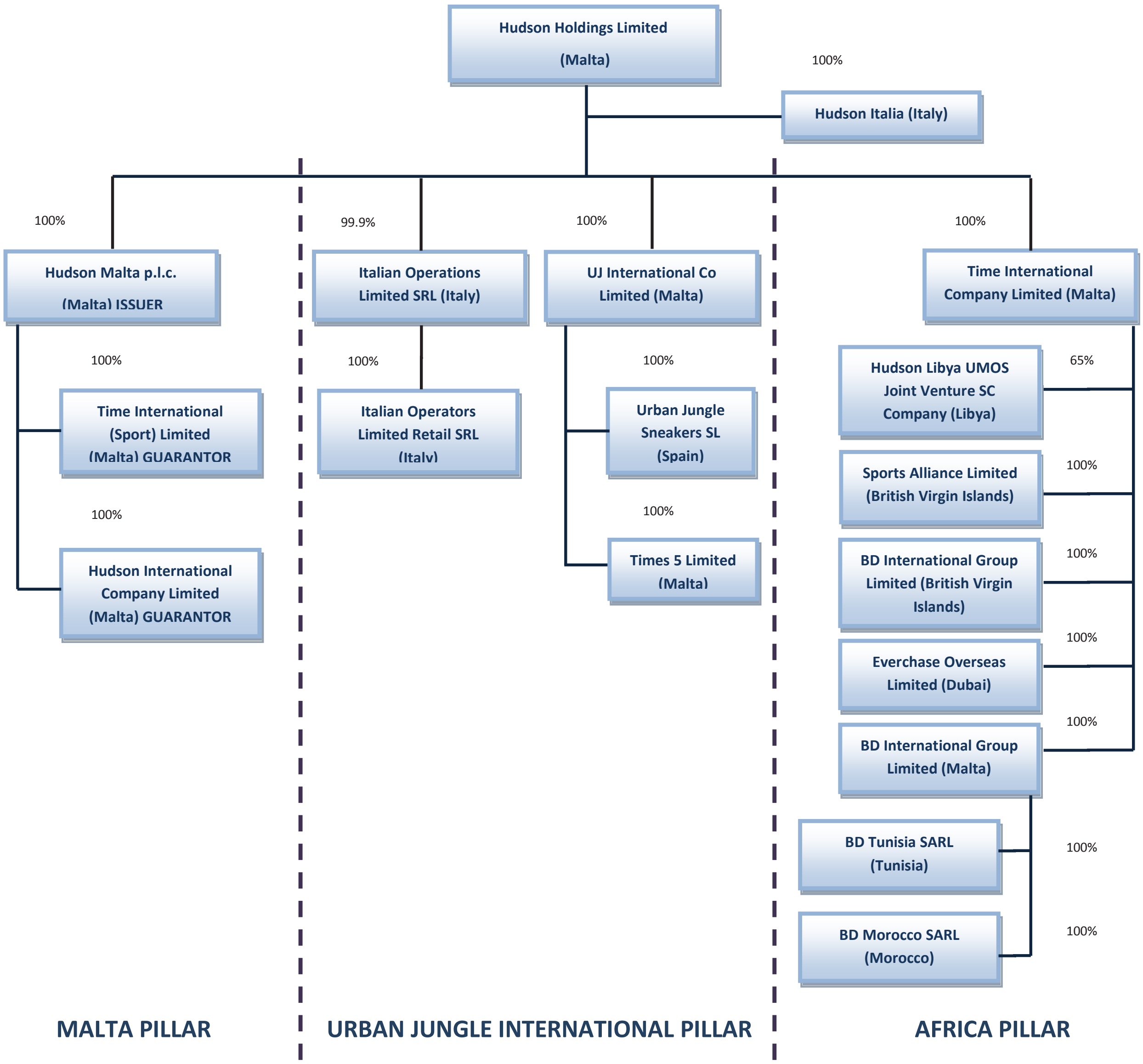
B.4b
B.19 The following is an overview of the most significant recent trends affecting the Issuer and the Guarantors and the market in which the Malta Group operates:

The Issuer is dependent on the business prospects of the Guarantors and, therefore, the trend information relating to the Guarantors (detailed below) has a material effect on its financial position and prospects.

As at the time of publication of the Prospectus, the Malta Group considers that generally it shall be subject to the normal business risks associated with the business in which the Malta Group operates, and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be considered likely to have a material effect on the upcoming prospects of the Malta Group and its business, at least with respect to the current financial year. However, investors are strongly advised to carefully read the risk factors in the Prospectus.

The retail market in Malta is subject to stiff competition, both from local retailers as well as from online sales (through the internet). In addition, retailers face competition for consumers' disposable income from gastronomy outlets, the property market and consumers' propensity to save. Furthermore, the retail industry continues to evolve due to shifts in consumer preferences, product trends, and shopping habits. Despite such challenges, Malta's economy has continued to perform well, resulting in an expansion of the labour market and higher income levels, to the benefit of retailers. In this regard, the Malta Group remains focused on adapting to the aforementioned trends and the Directors feel that the business strategy of the Malta Group is aligned to capitalise on these opportunities in the future.

B.5
B.19 The organisational structure of the Hudson Group is depicted below:



The Hudson Group is involved in the retail and distribution of branded fashion and sportswear in Malta, Europe and Africa. Central operations are based in Malta and include logistics, purchasing, finance and sales management teams. Some of the key brands presently managed by the Hudson Group are Nike, New Look, Timberland and KIABI, most of which are subject to franchise agreements which have been in effect for a significant number of years and which, to date, have been automatically renewed by the respective franchisors on the same terms and conditions – the indication is that such pattern will carry on in the foreseeable future. In terms of an agreement dated 5 March 2018 between Hudson Holdings Limited ("**HHL**") and the Issuer, all business activity carried out in Malta relating to sports and fashion business where HHL acts as franchisee, shall be performed exclusively through the Issuer or any of the Guarantors.

The financial information included hereinafter is extracted from the audited consolidated financial statements of HHL for the financial years ended 31 December 2014, 2015 and 2016, and from the unaudited consolidated financial statements of HHL for the interim period 1 January 2017 to 30 June 2017.

Extracts of the audited consolidated financial information for the financial years ended 31 December 2014, 2015 and 2016

Hudson Holdings Limited Consolidated Statement of Comprehensive Income for the year ended 31 December	**2014 €'000**	**2015 €'000**	**2016 €'000**
Revenue	41,832	42,504	58,759
Earnings before interest, tax, depreciation & amortisation	2,225	1,153	2,683
Total comprehensive income	1,132	459	1,715

Hudson Holdings Limited Consolidated Statement of Financial Position as at 31 December	**2014 €'000**	**2015 €'000**	**2016 €'000**
Non-current assets	5,171	5,640	8,081
Current assets	21,161	20,072	32,342
Total assets	**26,332**	**25,712**	**40,423**
Capital and reserves	6,933	7,392	8,787
Non-current and current liabilities	19,399	18,320	31,636
Total equity and liabilities	**26,332**	**25,712**	**40,423**

During FY2016, the Hudson Group operated 30 stores in 5 countries (FY2015: 22 stores) and employed 326 staff members. All 8 new store openings in FY2016 were located in Malta. Revenue increased by 38% from €42.5 million in 2015 to €58.8 million in 2016, driven by new distribution business and additional retail stores. The improved turnover positively impacted the Hudson Group's profitability of the aforesaid financial year as it reported an increase in earnings before interest, tax, depreciation & amortisation of €1.5 million, from €1.2 million in 2015 to €2.7 million in 2016. Overall, in FY2016, the Hudson Group reported total comprehensive income of €1.7 million (FY2015: €0.5 million).

Extracts of the unaudited consolidated interim financial information for the period 1 January 2017 to 30 June 2017

Hudson Holdings Limited Consolidated Statement of Comprehensive Income for the interim period 1 January to 30 June	**2016 €'000**	**2017 €'000**
Revenue	25,699	51,960
Earnings before interest, tax, depreciation & amortisation	517	4,850
Total comprehensive income/(expense)	(10)	2,759

Hudson Holdings Limited		
Consolidated Statement of Financial Position		
as at	**31 Dec'16**	**30 Jun'17**
	€'000	**€'000**
Non-current assets	8,081	8,082
Current assets	32,342	42,163
Total assets	**40,423**	**50,245**
Capital and reserves	8,787	11,514
Non-current and current liabilities	31,636	38,731
Total equity and liabilities	**40,423**	**50,245**

In the first six months of 2017, the Hudson Group registered an increase in revenue of €26.3 million over the corresponding period the year before. This increase was primarily due to significant growth in the wholesale and distribution business. As a consequence, the Hudson Group reported an increase in earnings before interest, tax, depreciation & amortisation of €4.3 million, from €0.5 million in 2016 to €4.8 million in the initial half of 2017. During the period under review, the Hudson Group registered a total comprehensive income of €2.8 million compared to a loss of €10,000 reported in the first half of 2016.

B.9
B.19 The financial information set out below has been extracted from the pro forma forecast consolidated financial statements of the Malta Group. The Malta Group in its current state has only been in existence since 10 November 2017 following a re-organisation exercise. The pro forma information presents what the Issuer's forecast consolidated financial statements would have looked like had the Malta Group existed in its current form, comprising all its current constituent components, for the financial year 1 January 2017 to 31 December 2017.

No adjustments to the results, financial position and cash flow statements of the constituent sub-groups were necessary for the purposes of arriving at the pro forma forecast consolidated financial statements, except solely to reflect the entries necessary in any process of accounting consolidation.

Hudson Malta p.l.c.		
Pro Forma Consolidated Statement of Comprehensive Income		
for the year ending 31 December	**2016**	**2017**
	Combined	**Pro Forma**
	€'000	**€'000**
Revenue	34,409	35,549
Earnings before interest, tax, depreciation & amortisation	2,286	2,386
Total comprehensive income	899	912

Hudson Malta p.l.c.		
Pro Forma Consolidated Statement of Financial Position		
as at 31 December	**2016**	**2017**
	Combined	**Pro Forma**
	€'000	**€'000**
Non-current assets	5,362	4,602
Current assets	11,015	12,486
Total assets	**16,377**	**17,088**
Capital and reserves	4,019	5,834
Non-current and current liabilities	12,358	11,254
Total equity and liabilities	**16,377**	**17,088**

On a pro forma basis, revenue for the financial year ended 31 December 2017 is expected to amount to €35.5 million, 70% of which being generated by retail stores, and the remaining balance from wholesale revenue primarily relating to the sale of sports retail products to third party retailers in Malta and Urban Jungle franchisees in Italy. When compared to the prior year, retail revenue is expected to increase by €2.9 million (+13%), principally due to the impact of a full year's operating performance of 8 stores which commenced operations during 2016 and the opening of 4 new stores (two of which are franchised stores) in 2017, whilst wholesale revenue is projected to decrease from €12.3 million in 2016 to €10.7 million, entirely due to a decline in sales to Urban Jungle Italy.

Earnings before interest, tax, depreciation & amortisation for FY2017 is projected to amount to €2.4 million, marginally higher when compared to the prior year. Total comprehensive income is expected to remain unchanged at €0.9 million (FY2016: €0.9 million).

B.10
B.19 Not Applicable: the audit reports on the audited financial statements for the years ended 31 December 2014 to 2016 of each of the Guarantors do not contain any material qualifications.

B.12
B.19 As at the date hereof, the Issuer has no financial information to report. Accordingly, it is not in a position to assert whether there has been a material adverse change since the date of publication of its latest financial statements. There has been no material adverse change in the prospects of the Guarantors since the date of their respective last published audited financial statements.

The historical financial information of each of the Guarantors is set out in the audited financial statements for each of the financial years ended 31 December 2014 to 2016. Save for the restructuring process described hereinafter, there were no significant changes to the financial or trading position of each of the Guarantors since the date up to which the latest audited financial statements were prepared.

Extracts of the combined financial statements of the Guarantors for the years ended 31 December 2014 to 2016

Hudson Malta p.l.c. **Statement of Comprehensive Income** **for the year ended 31 December**	**2014** **€'000**	**2015** **€'000**	**2016** **€'000**
Revenue	23,299	26,217	34,409
Earnings before interest, tax, depreciation & amortisation	1,468	1,886	2,286
Total comprehensive income	523	998	899

Hudson Malta p.l.c. **Statement of Financial Position** **as at 31 December**	**2014** **€'000**	**2015** **€'000**	**2016** **€'000**
Non-current assets	3,667	4,635	5,362
Current assets	7,738	7,359	11,015
Total assets	**11,405**	**11,994**	**16,377**
Capital and reserves	2,122	3,121	4,019
Non-current and current liabilities	9,283	8,873	12,358
Total equity and liabilities	**11,405**	**11,994**	**16,377**

In FY2016, revenue generated from retail operations increased by €5.6 million (+34%) from €16.4 million in FY2015 to €21.9 million, primarily on account of new store openings, whilst wholesale income amounted to €12.5 million, an increase of €2.6 million (+27%) when compared to a year earlier. In aggregate, revenue in FY2016 was higher than in FY2015 by €8.2 million (+31%) and amounted to €34.4 million.

Earnings before interest, tax, depreciation and amortisation improved by 21% or €0.4 million (year-on-year) to €2.3 million in FY2016 (FY2015: €1.9 million). Profit before tax also reflected a year-on-year increase of 21% to €1.5 million given that depreciation charge and net finance costs were relatively stable in FY2016 when compared to the prior year. In contrast, total comprehensive income was marginally lower in FY2016 by €0.1 million to €0.9 million as a result of an increase in taxation of €0.37 million (from €0.27 million in FY2015 to €0.64 million in FY2016).

Extracts of the combined interim financial statements of the Guarantors for the period 1 January 2017 to 30 June 2017

Hudson Malta p.l.c. **Statement of Comprehensive Income** **for the interim period 1 January to 30 June**	**2016**	**2017**
	€'000	**€'000**
Revenue	14,907	16,590
Earnings before interest, tax, depreciation & amortisation	712	904
Total comprehensive income	265	320

Hudson Malta p.l.c. **Statement of Financial Position** **as at**	**31 Dec'16**	**30 Jun'17**
	€'000	**€'000**
Non-current assets	5,362	5,403
Current assets	11,015	10,920
Total assets	**16,377**	**16,323**
Capital and reserves	4,019	4,339
Non-current and current liabilities	12,358	11,984
Total equity and liabilities	**16,377**	**16,323**

During the six month period 1 January 2017 to 30 June 2017, the Guarantors generated €16.6 million in revenue, an increase of €1.7 million (+11%) when compared to the same period in 2016. The increase was mainly driven by retail sales from KIABI, Go Sport, 3INA and the Benetton stores which opened after the first quarter of 2016. Wholesale revenue was relatively stable and amounted to €5.4 million in FP2017 as compared to €6.0 million in FP2016. Earnings before interest, tax, depreciation & amortisation for the six month period increased by 27%, from €0.7 million in FP2016 to €0.9 million in FP2017, whilst total comprehensive income increased by 21% to €0.32 million in FP2017 (FP2016: €0.27 million).

B.13 B.19 Not Applicable: neither the Issuer nor any of the Guarantors are aware of any recent events which are to a material extent relevant to the evaluation of their solvency.

B.14 B.19 The Issuer was established on 10 November 2017 as a wholly-owned subsidiary of Hudson Holdings Limited (the ultimate parent of the Hudson Group), and is the parent company of the Malta operations of the Hudson Group. The Issuer's intended purpose is to further expand the Malta Group's retail and wholesale distribution operations in Malta of branded fashion and sportswear. Business operations are performed by the Issuer's Subsidiaries (also referred to as the Guarantors), and therefore the Issuer is mainly dependent on the business prospects of the Guarantors. The Issuer operates exclusively in and from Malta.

B.15 B.19 The principal objects of the Issuer are set out in clause 4 of the Issuer's Memorandum of Association. The principal object of the Issuer is to purchase or otherwise acquire, under any title whatsoever, to hold and manage, by any title, movable and immovable property or other assets, including but not limited to securities and other financial interests. The issue of bonds falls within the objects of the Issuer.

Time International (Sport) Limited was established in 2003 and is principally engaged in the importation, distribution and retailing of sportswear. The company operates 12 retail outlets and franchises a further 6 stores in Malta and Gozo. The flagship brand operated by the company is Nike, one of the most prominent brands of athletic footwear and apparel globally. In 2016, Time International (Sport) Limited introduced the Go Sport brand in Malta with the opening of a store in Qormi. Go Sport is a sports multi-specialist that offers a vast range of branded sports apparel and accessories. Time International (Sport) Limited is empowered in terms of its Memorandum of Association to secure and guarantee any debt, liability or obligation of any third party.

Hudson International Company Limited was established in 2010 and is primarily involved in the importation and retailing of branded fashion wear in Malta. The company operates 13 stores in Malta and Gozo as follows: New Look (4 stores), 3INA (4 stores), Benetton (2 stores), KIABI (2 stores) and River Island (1 Store) and franchises a Benetton store. Hudson International Company Limited is empowered in terms of its Memorandum of Association to secure and guarantee any debt, liability or obligation of any third party.

B.16
B.19 The Issuer is a wholly owned subsidiary of HHL, which in turn is owned by Alfred Borg with 50%; George Amato, Christopher Muscat and Kevin Grech holding 37% between them apportioned equally; 9% shareholding is held by Etienne Camenzuli, and Felice Ilacqua and Gianluca Salute hold 2% each.

B.17 Not Applicable: neither the Issuer nor any of the Guarantors have sought the credit rating of an independent rating agency, and there has been no assessment by any independent rating agency of the Bonds issued by the Issuer.

B.18
B.19 For the purposes of the Guarantee, the Guarantors irrevocably and unconditionally guarantee to each Bondholder that if for any reason the Issuer fails to pay any sum payable by it to such Bondholder pursuant to the terms and conditions of the Bonds as and when the same shall become due under any of the foregoing, the Guarantors will pay to such Bondholder on written demand the amount payable by the Issuer to such Bondholder.

The obligations of the Guarantors under the Guarantee shall remain in full force and effect until no sum remains payable to any Bondholder pursuant to the issue of the Bonds.

SECTION C SECURITIES

C.1 The Issuer shall issue an aggregate of €12,000,000 in Bonds having a face value of €100 per bond, subject to a minimum holding of €2,000 in Bonds. The Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Bonds will have the following ISIN: MT0001811208. The Bonds shall bear interest at the rate of 4.35% per annum.

C.2 The Bonds are denominated in Euro (€).

C.5 The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.

C.8 A Bondholder shall have such rights as are attached to the Bonds, including:

i. the repayment of capital;
ii. the payment of interest;
iii. ranking with respect to other indebtedness of the Issuer and the Guarantors;
iv. seeking recourse from the Guarantors pursuant to the Guarantee, in case of failure by the Issuer to pay any sum payable by it to Bondholders pursuant to the Terms and Conditions of the Bonds;
v. the right to attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and
vi. enjoy all such other rights attached to athe Bonds emanating from the Prospectus.

The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer, guaranteed by the Guarantors, and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt of each of the Issuer and the Guarantors, if any. Furthermore, subject to the negative pledge clause, third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer and the Guarantors for so long as such security interests remain in effect.

As at the date of this Summary Note, the Issuer does not have any subordinated indebtedness. As at 31 December 2017, Malta Group indebtedness amounted to €3.7 million and comprised bank loans and overdraft facilities. The bank loans shall be repaid out of part of the net proceeds of the Bond Issue. The bank overdraft facilities shall be retained and therefore the security thereof shall continue to be held by the respective banks. As such, the indebtedness being created by the Bonds shall rank after the afore-mentioned overdraft facilities. In addition, the Bonds will also rank after any future debts which may be secured by a cause of preference such as a privilege and/or a hypothec.

C.9 The Bonds shall bear interest from and including 6 April 2018 at the rate of 4.35% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The nominal value of the Bonds will be repayable in full upon maturity on the redemption date unless the Bonds are previously re-purchased and cancelled. The first interest payment will be effected on 6 April 2019 (covering the period 6 April 2018 to 5 April 2019). 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. The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds is 4.35% per annum. The remaining component of Element C.9 is Not Applicable, given that no representative of debt security holders has been appointed.

C.10 Not Applicable: there is no derivative component in the interest payments on the Bonds.

C.11 The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated 23 March 2018. Application has been made to the MSE for the Bonds being issued pursuant to the Prospectus to be listed and traded on the Official List. The Bonds are expected to be admitted to the Malta Stock Exchange with effect from 13 April 2018 and trading is expected to commence on 16 April 2018.

SECTION D RISKS

D.2 Key information on the key risks specific to the Issuer:

Holding of a Bond involves certain risks. Prospective investors should carefully consider, with their own independent financial and other professional advisors, the following risk factors and other investment considerations as well as all the other information contained in the Prospectus before deciding to acquire Bonds. Prospective Investors are warned that by investing in the Bonds they may be exposing themselves to significant risks that may have the consequence of losing a substantial part of all of their investment.

This document contains statements that are, or may be deemed to be, "forward-looking statements", which relate to matters that are not historical facts and which may involve projections of future circumstances. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer and/or its' Directors. These forward-looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Issuer's Directors. No assurance is given that the future results or expectations will be achieved.

Prospective investors are advised to read the Prospectus in its entirety and, in particular, the sections entitled "Risk Factors" in the Registration Document and Securities Note, for an assessment of the factors that could affect the Issuer's and the Guarantors' future performance.

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 will be repayable in full upon maturity, unless the Bonds are previously re-purchased and cancelled. An investment in the Bonds involves certain risks, including those described below.

An investment in the Issuer and the Bonds may not be suitable for all recipients of the Prospectus and Authorised Financial Intermediaries are to determine the suitability or otherwise of prospective investors' investment in the Bonds before making an investment decision.

The risk factors set out below are a summary of the principal risks associated with an investment in the Issuer and the Bonds – there may be other risks which are not mentioned in this summary.

i. Risks relating to the Issuer and its business:

Issuer's dependence on the Malta Group and its business

The Issuer is the parent company of the Malta Group and given its recent incorporation does not itself have any trading history. The Issuer is therefore dependent on the business prospects of the Guarantors, and consequently, the operating results of the Guarantors have a direct effect on the Issuer's financial position and performance. As such, the risks intrinsic in the business and operations of the Guarantors, many of which are common to the fashion apparel and sportswear sectors and beyond the Malta Group's control, shall have a direct effect on the financial position of the Issuer.

Issuer's exposure to the Hudson Group

As a finance company, the assets of the Issuer will comprise loans issued to HHL and/or other Hudson Group companies. Consequently, the Issuer will be dependent on the operating results, cash flows and financial position of HHL and/or other Hudson Group companies for the punctual receipt of interest payments and capital repayments from the aforementioned entities. The non-occurrence of such payments could negatively affect the ability of the Issuer to meet its obligations in respect of the repayment of principal and interest under the Bonds punctually when due.

Risks inherent in forecasts

The forecasts set out in the Prospectus are dependent on a number of assumptions and future expectations that may or may not occur. The non-occurrence of those future expectations could have material adverse effects on the financial position and results of the Malta Group and the Issuer.

ii. Risks relating to the Malta Group and its business:

General

The Malta Group, through the Guarantors, has a long trading history in branded fashion and sportswear in retail and wholesale distribution. As such, the Malta Group is exposed to the apparel market and the competitive pressures prevalent in the operation and management of retail outlets and the wholesale distribution business in Malta. The Malta Group's business model remains primarily reliant on its relationship with a number of international fashion brands. In addition, the Malta Group's operations are concentrated in Malta and are accordingly intimately dependent on the branded fashion and sportswear markets in Malta. Accordingly, the Malta Group's prospects should be considered in the light of the risks and difficulties generally encountered by companies operating in a similar industry sector in Malta.

Dependence on the Maltese market
The Malta Group's operations are concentrated in and aimed at the Maltese market, which is limited in its geographical scope. Accordingly, the Malta Group is highly susceptible to the economic trends that may from time to time be felt in Malta. Negative economic factors and trends in Malta, particularly those having an effect on consumer demand, may have an adverse impact on the business of the Malta Group.

The Malta Group's business is subject to market and economic conditions generally
The Malta Group's business activities are subject to general market and economic conditions, both locally and overseas. 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 Malta 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 under the Bonds.

A significant portion of the Malta Group's operating expenses are fixed, which may impede them from reacting quickly to changes in its revenue
A significant portion of the Malta Group's costs are fixed and the Malta Group's operating results are vulnerable to short-term changes in revenues. The Malta Group's inability to react quickly to changes in revenue by reducing operating expenses could have a material adverse effect on its respective business, financial condition and results of operations.

The Malta Group's reliance on non-proprietary software systems and third-party information technology providers
To varying degrees, the Malta Group is reliant upon technologies and operating systems (including IT systems) developed by third parties for the running of its business, and is exposed to the risk of failure in such systems. Disruption to those technologies or systems and/or lack of resilience in operational availability could adversely affect the efficiency of the Malta Group's business, financial condition and/or operating results.

The Malta Group's key senior personnel and management have been and remain material to its growth
The Malta Group believes that its growth is largely attributable to the efforts and abilities of the directors and members of its executive management team and other key personnel. If one or more of the members of this team were unable or unwilling to continue in their present position, the Malta Group might not be able to replace them within the short term, which could have a material adverse effect on the Malta Group's business, financial condition and results of operations.

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

The Malta Group's insurance policies
Historically, the Malta Group has maintained insurance at levels determined by the Malta Group to be appropriate in light of the cost of cover and the risk profiles of the business in which the Malta Group operates. With respect to losses for which the Malta Group is covered by its policies, it may be difficult and may take time to recover such losses from insurers. In addition, the Malta Group may not be able to recover the full amount from the insurer.

Risks relative to changes in laws
The Malta Group is subject to a variety of laws and regulations. As with any business, the Malta Group is at risk in relation to changes in laws and regulations and the timing and effects of changes in the laws and regulations to which it is subject, including changes in the interpretation thereof which cannot be predicted. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus upon the business and operations of the Malta Group companies.

The Malta Group's indebtedness could adversely affect its financial position
Pursuant to the issue of Bonds, the Malta Group will have a material amount of debt and may incur additional debt in connection with its future growth and business development strategy. Consequently, a portion of the Malta Group's generated cash flows will be required to make principal and interest payments on the Malta Group's debt. Furthermore, any borrowings under bank credit facilities will likely be at variable interest rates, which could cause the Malta Group to be vulnerable to increases in interest rates.

The agreements regulating the Malta Group's bank debt may impose significant financial covenants on the Malta Group, the covenants of which could limit the Malta Group's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities.

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

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

iii. Risks relating to the Operations of the Guarantors:

Competition and franchisors' response to changing trends and consumer preferences

The branded fashion and sportswear sectors are highly competitive and are also subject to rapidly changing consumer demands and economic factors that affect consumer spending powers. The Malta Group's success in the above-mentioned sectors is also dependent upon the ability of the franchisors to respond to changing consumer demands and fashion trends in a timely manner, and upon the continued appeal of the brands represented by the Malta Group to consumers. If either or all of the franchisors fail to anticipate, identify or react appropriately, or in a timely manner, to fashion trends, the Malta Group's outlets could experience reduced customer acceptance of their products. These factors could result in decreased sales volume and lower product margins, and could have a material adverse effect on the Malta Group's results of operations.

There can be no assurance that the Malta Group will be able to maintain or increase its market share and to compete effectively with current or future competitors or that the competitive pressures will not consequently have a material adverse effect on the Malta Group's business, financial condition and operational performance.

The Malta Group is dependent on its franchisors

The Malta Group's revenues are dependent on the continued existence of its relationships with its franchisors. In view of the nature of franchising and the franchise agreements entered into with each franchisor, the long-term success of the Malta Group will depend, to a significant extent, on:

- **the continued vitality of the represented brands in Malta and the overall success of the franchise system;**
- **the ability of the Malta Group and each franchisor to develop and pursue appropriate marketing strategies in order to maintain and enhance the name recognition, reputation and market perception of the respective brands and to introduce and develop new products;**
- **the quality, consistency and management of each franchisor's overall systems; and**
- **a continued cooperative franchise relationship with its franchisors.**

Any weakening in either of these relationships, whether caused by any breaches in the respective franchise agreements, or otherwise, could have a detrimental effect on the Malta Group's business.

Lack of total territorial exclusivity

Certain franchise agreements do not grant the Malta Group as franchisee exclusive territorial rights pursuant to or in conjunction with the rights granted thereto in terms of such agreements.

The Malta Group is subject to risks associated with leasing retail space

All of the Malta Group's stores are leased from third parties and, therefore, the Malta Group is subject to risks associated with periodically negotiating or re-negotiating lease terms. When the Malta Group renews expiring leases, it may have to compete over desirable property sites with other businesses, some of which are considerably larger than the Malta Group and have greater economic and financial assets. The Malta Group's ability to maintain its existing rental rates or to renew any lease on favourable terms will depend on many factors which are outside of the Malta Group's control, including the local real estate market and relationships with current and prospective landlords.

Any inability to renew existing leases may result in, among other things, significant alterations to rental terms, the closure of stores in desirable locations or failure to secure suitable alternative locations. Any of these events affecting the Malta Group's stores could have a material adverse effect on its business, results of operations or financial condition.

The Malta Group's domestic growth strategy is dependent upon its ability to successfully open new retail stores and introduce new brands

As part of its growth strategy, the Malta Group intends to continue to increase the number of its retail stores in conjunction with the introduction of new brands in Malta. Successful execution of this roll-out strategy depends upon a number of factors, including: the identification of new brands and suitable available sites in optimal locations; the negotiation of franchise agreements on acceptable financial terms; the Malta Group's ability to integrate new stores and brands into its operations on an economically acceptable basis; its IT capabilities; and general market conditions in Malta.

The Malta Group's performance is influenced by the image and reputation of its brands 'Urban Jungle' and 'House of Sport'

Apart from operating stores under a variety of global brands in terms of their respective franchisee agreements, the Malta Group operates a number of stores under the above-mentioned brands. In addition, as at the date of this Registration Document, the Malta Group acts as a franchisor for 1 Urban Jungle store and 3 House of Sport stores which are owned and operated by third parties. The Urban Jungle trademark is registered in the European Union and other countries outside the European Union.

The Malta Group's financial performance is influenced by the image, perception and recognition of the Urban Jungle and House of Sport brands, which, in turn, depends on many factors such as the image of franchisee stores, its communication activities including marketing, public relations and commercial partnerships and its general corporate and market profile. The Malta Group's "brand equity" could decline if it is unable to maintain the strength, image and recognition of the Urban Jungle and House of Sport brands.

Any failure to maintain favourable brand recognition could have a material adverse effect on the Malta Group's business, results of operations and financial condition.

D.3 Key information on the key risks specific to the Bonds:

An investment in the Bonds involves certain risks, including those set out below in this section. In deciding whether to make an investment in the Bonds, prospective investors are advised to carefully consider, with their own independent financial and other (including tax, accounting, credit, legal and regulatory) professional advisors, the following risk factors (not listed in order of priority) and other investment considerations, together with all the other information contained in the Prospectus.

i. **There can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. Nor can there be any assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price or at all. A public trading market depends on a number of factors over which the Issuer has no control.**

ii. **Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.**

iii. **A Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different.**

iv. **No prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time.**

v. **The Bonds, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantors jointly and severally. The Bonds shall at all times rank *pari passu* without any priority or preference among themselves and, in respect of the Guarantors, they shall rank without any priority or preference over all their respective unsecured indebtedness, if any. In view of the fact that the Bonds are being guaranteed by the Guarantors on a joint and several basis, the Bondholders shall be entitled to request the Guarantors to pay both the interest due and the principal amount under said Bonds if the Issuer fails to meet any amount, when due in terms of the Prospectus.**

   The joint and several Guarantee also entitles the Bondholders to take action against the Guarantors without having to first take action against the Issuer. The strength of this undertaking on the part of the Guarantors and therefore, the level of recoverability by the Bondholders from the Guarantors of any amounts due under any of the Bonds, is dependent upon and directly linked to the financial position and solvency of the Guarantors.

vi. **Even after the Bonds are admitted to trading on the MSE, the Issuer is required to remain in compliance with certain requirements relating, *inter alia*, to the free transferability, clearance and settlement of the Bonds in order to remain a listed company in good standing. Moreover, the Listing Authority has the authority to suspend trading or listing of the Bonds if, inter alia, it comes to believe that such a suspension is required for the protection of investors or the integrity or reputation of the market. The Listing Authority may discontinue the listing of the Bonds on the MSE. Any such trading suspensions or listing revocations / discontinuations could have a material adverse effect on the liquidity and value of the Bonds.**

vii. **In the event that the Issuer wishes to amend any of the Terms and Conditions of the Bond Issue it shall call a meeting of Bondholders. 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.**

viii. **The Terms and Conditions of the Bond Issue are based on the requirements of the Listing Rules of the Listing Authority, the Companies Act and the Commission Regulation EC No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Maltese law or administrative practice after the date of the Prospectus.**

SECTION E OFFER

E.2b The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €11,780,000, will be used by the Issuer for the following purposes, in the amounts and order of priority set out below:

i. an amount of *circa* €2,780,000 of the proceeds from the Bonds will be used to re-finance outstanding Malta Group banking facilities, which funds were mainly applied for the purpose of part-financing capital expenditure during 2013 to 2017 related to new store openings, property improvements and fit-out costs including furniture, fittings and equipment;

ii. the amount of €4,500,000 will be on-lent to Hudson Holdings Limited (the ultimate parent company of the Issuer) pursuant to a loan agreement between the Issuer and HHL, and shall be used to lease and fit-out a number of new retail stores in Morocco (*circa* €2,500,000), Italy (*circa* €1,000,000) and Algeria (*circa* €1,000,000). As an entity external to the Issuer and the Malta Group, HHL is not bound by the continuing obligations of the Listing Rules. Therefore, the board of directors of HHL has resolved to publish on an annual basis HHL's audited consolidated financial statements, by not later than two months after the publication of the Issuer's audited financial statements, through a company announcement. Furthermore, condensed financial information relating to HHL and the Hudson Group shall be provided in the annual publication of the Issuer's financial analysis summary. This commitment is being made so as to provide Bondholders and prospective investors with full access to financial information on the Hudson Group;

iii. an amount of €2,500,000 will be utilised to finance the construction and fit-out of a distribution centre in Malta exclusively for the international trading operations of the Hudson Group. BD International Group Limited (a wholly owned subsidiary of HHL) is presently in the final stage of negotiating a 65-year emphyteutical concession with Malta Industrial Parks (the lessor) for the site over which the distribution centre will be developed. Accordingly, a joint venture agreement will be entered into between BD International Group Limited and the Issuer for the development and operation of the facility, wherein the former party will contribute the right of usufruct to the Issuer, whilst the latter party will contribute the required funds for the construction and fit-out of the distribution centre, IT and administrative support, and the provision of the above-mentioned operational services. The capital expenditure is projected to be incurred during 2018 and 2019;

iv. the amount of €2,000,000 will be used to part-finance the forthcoming capital expenditure of the Malta Group, and shall primarily comprise the renovation of 3 existing stores and the opening of 3 additional stores in Malta.

E.3 The Issuer and the Guarantors have entered into a placement agreement for the full amount of the Bond Issue with Authorised Financial Intermediaries, whereby the Issuer and the Guarantors bound themselves to allocate the Bonds to such Authorised Financial Intermediaries. The Authorised Financial Intermediaries in turn bound themselves to subscribe to a specified amount of Bonds subject to, and conditional upon, the Bonds being admitted to the Official List of the Malta Stock Exchange.

The following is a synopsis of the general terms and conditions applicable to the Bonds. A Bondholder is deemed to have invested only after having received, read and understood the contents of the Prospectus, including the full terms and conditions contained in the annexes thereto:

1. Form, Denomination and Title
The Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. 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. Authorised Financial Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients 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 in the Securities Note.

2. Interest
Details of interest payable on the Bonds are provided in Element C.9 of this Summary Note.

3. Status of the Bonds
The Bonds, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantors jointly and severally. The Bonds shall at all times rank *pari passu* without any priority or preference among themselves and, in respect of the Guarantors, they shall rank without any priority or preference over all their respective unsecured indebtedness, if any.

4. Payments
Payment of the principal amount of a Bond will be made in Euro by the Issuer to the person in whose name such Bonds are registered, with interest accrued up to 6 April 2026 (the "Redemption Date"), by means of direct credit transfer into such bank account as the Bondholder may designate from time to time. Such payment shall be effected within seven days of the Redemption Date. Payment of interest on a Bond will be made to the person in whose name such Bond is registered at the close of business fifteen 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. Such payment shall be effected within seven days of the Interest Payment Date.

5. Redemption
Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 6 April 2026.

6. Events of Default
The Bonds shall become immediately due and repayable at their principal amount together with accrued interest, upon the happening of any of the following events:

i. the Issuer shall fail to pay any interest on any Bond when due and such failure shall continue for thirty (30) days after written notice thereof shall have been given to the Issuer by any Bondholder; or
ii. the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in the Terms and Conditions of the Bonds and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by any Bondholder; or
iii. an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer and/or Guarantors; or
iv. 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
v. the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent; or
vi. there shall have been entered against the Issuer and/or the Guarantors a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of two million Euro (€2,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; or
vii. any default occurs and continues for ninety (90) days under any contract or document relating to any Financial Indebtedness of the Issuer and/or the Guarantors in excess of two million Euro (€2,000,000) or its equivalent at any time.

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

8. Register of Bondholders
Certificates will not be delivered to Bondholders in respect of the Bonds in virtue of the fact that the entitlement to Bonds will be represented in an 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, registration numbers and MSE account numbers 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.

9. Further Issues
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.

10. Meetings of Bondholders
The Terms and Conditions of the Bonds may be amended or waived with the approval of the Bondholders at a meeting called for that purpose by the Issuer.

11. Governing Law and Jurisdiction
The Bonds shall be governed by and shall be construed in accordance with Maltese law. Any legal action, suit, action or proceeding against the Issuer and/or the Guarantors arising out of or in connection with the Bonds shall be brought exclusively before the Maltese Courts and the Bondholder shall be deemed to acknowledge that it is submitting to the exclusive jurisdiction of the Maltese Courts as aforesaid.

E.4 Save for the subscription for Bonds by Authorised Financial Intermediaries, and any fees payable in connection with the Bond Issue to Charts Investment Management Service Limited as Sponsor, Manager & Registrar, so far as the Issuer is aware no person involved in the Bond Issue has an interest material to the Bond Issue.

E.7 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 €220,000.

EXPECTED TIME-TABLE OF THE BOND ISSUE

1. Offer Period	26 March 2018 to 6 April 2018
2. Private Placement date	6 April 2018
3. Commencement of interest on the Bonds	6 April 2018
4. Expected date of notification of registration	13 April 2018
5. Expected date of admission of the securities to listing	13 April 2018
6. Expected date of commencement of trading in the securities	16 April 2018