GlobalCapital plc

REGISTRATION DOCUMENT

Prospectus dated 4 March 2016 issued by GlobalCapital plc, a public limited liability company registered under the laws of Malta with company registration number C19526 and having its registered office at GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta as Issuer of:

1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares of a nominal value of €0.291172 per New Ordinary Share, issued at par and in the event of Lapsed Rights: 1) an offer to Eligible Shareholders for Excess Shares and 2) an Intermediaries Offer, in this order of preference.

ISIN: MT0000170101

Application has been made to the Listing Authority in Malta which is the competent authority for the purposes of the Prospectus Directive for the approval of this Prospectus. Application has also been made to the MSE for the New Ordinary Shares issued pursuant to this Prospectus to be admitted to trading on the MSE's Regulated Market and to be listed on the Official List of the MSE. Prospective investors ought to consider the provisions of the section entitled `Risk Factors' before making an investment in the securities. This Prospectus has been filed with the Listing Authority and will be published in electronic form on the website of the Listing Authority and of the Issuer. A printed form of the Prospectus is also available, free of charge from the registered office of the Issuer.

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT 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 SAID INSTRUMENTS AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENTS.

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.

Mr Reuben Zammit

Mr Reuben Zammit on behalf of:
Prof Paolo Catalfamo, Prof Andrea Gemma, Dr Joseph del Raso,
Mr Joseph Schembri and Mr Christopher J Pace.

Legal Counsel

Refalo & Zammit Pace
ADVOCATES

Sponsor, Manager & Registrar

RIZZO FARRUGIA
YOUR INVESTMENT CONSULTANTS

REGISTRATION DOCUMENT

This document is dated 4 March 2016

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and 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 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 and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014.

Issued by

GlobalCapital plc

a public limited liability company registered under the laws of Malta with company registration number C19526 and having its registered office at GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta

A Rights Issue of 16,792,452 New Ordinary Shares of a nominal value of €0.291172 per New Ordinary Share, at par, on the basis of 1.27 New Ordinary Shares for every 1 Ordinary Share

And in the event of Lapsed Rights: 1) an offer to Eligible Shareholders for Excess Shares and 2) an Intermediaries Offer, in this order of preference.

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.

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

ISIN: MT0000170101

Sponsor, Manager & Registrar

RIZZO FARRUGIA
YOUR INVESTMENT CONSULTANTS

Legal Counsel

Refalo & Zammit Pace
ADVOCATES

TABLE OF CONTENTS

1 IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION IN RELATION TO GLOBALCAPITAL P.L.C. ("**ISSUER**" OR "**COMPANY**") AND ITS BUSINESS. THIS REGISTRATION DOCUMENT INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT, CAP. 386 OF THE LAWS OF MALTA 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 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 AND COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014), THE REQUIREMENTS OF THE LISTING RULES OF THE MALTA FINANCIAL SERVICES AUTHORITY ("**MFSA**") AND THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE ("**MSE**").

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE 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, ITS DIRECTORS, OR ADVISERS. THE ADVISERS ENGAGED BY THE ISSUER FOR THE PURPOSE OF THIS COMBINED OFFERING ARE ACTING EXCLUSIVELY FOR THE ISSUER.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR AND MAKES NO REPRESENTATIONS AS TO THE CONTENTS, ACCURACY OR COMPLETENESS OF THE PROSPECTUS 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.

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 OR OFFERED BY THE OFFERORS 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.

THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'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 ANY FINANCIAL INSTRUMENTS AND SECURITIES ISSUED BY THE ISSUER.

ALL THE ADVISERS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON. NONE OF THE ADVISERS 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 RIGHTS WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO CERTAIN EXCEPTIONS, THE RIGHTS MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. FURTHERMORE, IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA), THE RIGHTS MAY ONLY BE OFFERED, SOLD OR DELIVERED TO, SUBJECT TO CERTAIN EXCEPTIONS AND ACCEPTED BY "QUALIFIED INVESTORS" (AS DEFINED IN THE PROSPECTUS DIRECTIVE) OR IN OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE. IN ALL CASES THE MAKING OF THE OFFER OF RIGHTS IN SUCH CIRCUMSTANCES SHALL NOT REQUIRE THE PUBLICATION BY THE ISSUER OR ANY OTHER PERSON OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE. THE SHARES ISSUED AS A RESULT OF THE EXERCISE OF THE RIGHTS UNDER THIS RIGHTS ISSUE MAY BE LISTED AND TRADED ON THE REGULATED MARKET OF THE MSE. THE MSE'S REGULATED MARKET IS A REGULATED MARKET FOR THE PURPOSES OF DIRECTIVE 2004/39/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 21 APRIL 2004 ON MARKETS IN FINANCIAL INSTRUMENTS AMENDING COUNCIL DIRECTIVES 85/611/EEC AND 93/6/EEC AND DIRECTIVE 2000/12/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AND REPEALING COUNCIL DIRECTIVE 93/22/EEC.

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 COMBINED OFFERING, YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISER 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 ORDINARY SHARES PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE ISSUER TO BRING ANY ACTION, SUIT OR PROCEEDING, IN ANY OTHER COMPETENT JURISDICTION, ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF ORDINARY SHARES, 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.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE MSE AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES. APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE APPROVAL OF THE PROSPECTUS AND FOR THE ADMISSION OF THE ISSUER'S ORDINARY SHARES ON A REGULATED MARKET. APPLICATION HAS ALSO BEEN MADE TO THE MSE, FOR THE ORDINARY SHARES TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE.

2 DEFINITIONS

In this Registration Document the following words and expressions shall bear the following meanings, whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

Act	the Companies Act, Cap. 386 of the laws of Malta;
Bonds	issued by the Company;
CSD	the central registration system for dematerialised financial instruments operated by the MSE and authorised in terms of the Financial Markets Act;
Directors or **Board**	the directors of the Issuer whose names are set out in section 11 of this Registration Document;
Eligible Shareholders	the Issuer's Shareholders on the register of the CSD as at close of trading on the Record Date and their transferee(s);
Euro or **€**	the lawful currency of the Republic of Malta;
Financial Institutions Act	Financial Institutions Act, Cap. 376 of the laws of Malta;
Financial Intermediaries	the licenced members of the MSE authorised to conduct investment services business by the MFSA, as listed in Annex A of the Securities Note;
GCFM	GlobalCapital Financial Management Limited, a private limited liability company registered in Malta with registration number C 30053;
GCHIA	GlobalCapital Health Insurance Agency Limited, a private limited liability company registered in Malta with registration number C 6393;
GCLI	GlobalCapital Life Insurance Limited, a private limited company registered in Malta with registration number C 29086;
Group	the Issuer (as parent company) and its Subsidiaries;
Income Tax Act	the Income Tax Act, Cap. 123 of the laws of Malta;
Insurance Business Act	Insurance Business Act, Cap. 403 of the laws of Malta;
Insurance Intermediaries Act	Insurance Intermediaries Act, Cap. 487 of the laws of Malta;
Intermediaries Offer	in the event of Lapsed Rights, and where the Eligible Shareholders have not taken up the Excess Shares, the invitation to offer made by the Issuer to Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the account of their clients, provided that such offers may only be made through and by Financial Intermediaries during the Intermediaries Offer Period;
Intermediaries Offer Period	the period between 08:30 on 6 April 2016 and 10:00 on 8 April 2016;
Investment Services Act	the Investment Services Act, Cap. 370 of the laws of Malta;
Issuer or **Company**	GlobalCapital p.l.c., a public limited liability company registered in Malta with company registration number C 19526;
Investar	Investar p.l.c., a public limited company registered in Malta with registration number C 65310 (formerly EIP p.l.c.);
Lapsed Rights	rights to New Ordinary Shares not validly taken up by the Shareholders by the expiry of the Offer Period;
Listing Authority	the Board of Governors of the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act, Cap. 345 of the laws of Malta by virtue of the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
Listing Rules	the listing rules of the Listing Authority;

Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., a public limited liability company having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing company registration number C 42525, which continued in the personality of the Malta Stock Exchange established under Part IV of the Financial Markets Act, Cap. 345 of the laws of Malta prior to the repeal of that Part by the Various Financial Services Laws (Amendment) Act, 2007 (Act XX of 2007), with effect from 01 November 2007;
Memorandum and Articles of Association or **M&As**	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus;
MFSA	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
New Ordinary Shares	16,792,452 New Ordinary Shares to be issued pursuant to the Rights Issue;
Offer	the invitation to subscribe for rights to the New Ordinary Shares as contained in the Securities Note;
Offer Period	the period between 08:30 on 16 March 2016 and 12:00 on 30 March 2016 (both dates inclusive) during which the rights to the New Ordinary Shares are on offer for subscription;
Ordinary Shares	the ordinary shares of a nominal value of €0.291172 each of the Issuer;
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended by Directive 2008/11/EC of the European Parliament and of the Council of 11 March 2008, Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 and Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010, and as supplemented by Commission Delegated Regulation (EU) No 1392/2014 of 2014;
Prospectus Regulation	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing the Prospectus Directive 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 and Commission Delegated Regulation (EU) 382/2014 of 7 March 2014, and as may be further amended from time to time;
Record Date	the 4 March 2016, meaning trading up to and including 2 March 2016;
Reference Documents	the documents listed in section 19 under the heading "*Documents on Display*";
Registration Document	this document in its entirety;
Rights Issue or **Issue**	the proposed issue by way of New Ordinary Shares to Eligible Shareholders as described in this Registration Document;
Securities Note	the securities note issued by the Issuer dated 4 March 2016, forming part of the Prospectus;
Solvency II Directive	Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on The Taking-Up and Pursuit of the Business of Insurance and Reinsurance (Solvency II) (Recast) as amended by Directive 2011/89/EU of the European Parliament and of the Council of 16 November 2011, Directive 2012/23/EU of the European Parliament and of the Council of 12 September 2012, Council Directive 2013/23/EU of 13 May 2013, Directive 2013/58/EU of the European Parliament and of the Council of 11 December 2013 and Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014, and as may be further amended from time to time;
Solvency II Regulation	Commission Delegated Regulation 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance;
Shareholders or **Ordinary Shareholders**	holders of Ordinary Shares of the Issuer;

Subsidiaries	any company the ultimate holding company of which, as at the date of this Registration Document is the Company, including without limitation each of the following companies: a. GlobalCapital Holdings Ltd, a private limited liability company registered in Malta with company registration number C 29873; b. GlobalCapital Financial Management Ltd, a private limited liability company registered in Malta with company registration number C 30053; c. GlobalCapital Insurance Brokers Ltd, a private limited liability company registered in Malta with company registration number C 32451; d. GlobalCapital Life Insurance Ltd, a private limited liability company registered in Malta with company registration number C 29086; e. Central Landmark Development Ltd, a private limited liability company registered in Malta with company registration number C 34858; f. GlobalCapital Health Insurance Agency Ltd, a private limited liability company registered in Malta with company registration number C 6393; g. Global Properties Ltd. (Medunardodue Nekretnine d.o.o.) a private limited liability company registered in Croatia with company registration number 97381210793; h. Global Estates Ltd, a private limited liability company registered in Malta with company registration number C 37544; i. Brammer Ltd, a private limited liability company registered in Bulgaria with company registration number 131292817; and j. Quadrant Italia s.r.l, a limited liability company (società a responsabilità limitata) registered in Italy with company registration number 1102926;
Summary Note	the summary note issued by the Issuer dated 4 March 2016, forming part of the Prospectus.

All references in the Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

a) words importing the singular shall include the plural and vice-versa;

b) words importing the masculine gender shall include the feminine gender and vice-versa; and

c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative.

3 RISK FACTORS

3.1 FORWARD-LOOKING STATEMENTS

The Prospectus and the documents incorporated therein by reference or annexed thereto contain "forward-looking statements" that include, among others, statements concerning the Company's strategies and plans relating to the attainment of its objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. 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. These forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus.

If any of the risks described were to materialise, they could have a serious effect on the Company's financial results, trading prospects and the ability of the Company to fulfil its obligations under the securities to be issued. Accordingly, the Company cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by such statements and no assurance is given that the future results or expectations will be achieved.

3.2 RISKS RELATED TO THE ISSUER AND THE ISSUER'S BUSINESS

The Issuer is a holding company with Subsidiaries engaged primarily in life assurance business, health insurance agency activities, investment and advisory services and property holding and management. Consequently, by reason of the Issuer's broad business profile, the Issuer is exposed to various risks, as detailed below.

3.2.1 Financial Risk

The Issuer and the Group are exposed to financial risk, principally through GCLI's financial assets and liabilities, reinsurance assets, and insurance liabilities. In particular, a key financial risk is that the proceeds from GCLI's financial assets may not be sufficient to fund the obligations arising from its insurance and investment contracts with a discretionary participation feature (DPF). The most important components of financial risk are market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk, all of which are highlighted below. These risks partly arise from open positions in interest rate, currency, and equity products, all of which are exposed to general and specific market movements.

3.2.1.1 Market risk

a. General

The businesses of the Group are materially affected by conditions in the financial markets and economic conditions generally, both in Malta and elsewhere around the world. Therefore, all of the Group's business segments are affected by market conditions which can cause results to fluctuate from year to year as well as on a long-term basis.

Risk can arise, *inter alia*, from adverse changes in interest rates, credit spreads, foreign exchange rates, equity prices and other relevant parameters, such as market volatility. For example, the current global economic and financial crisis led to a re-evaluation of risks, particularly credit risks. Similarly, the Eurozone sovereign debt crisis and concerns over the viability of the European Monetary Union have further increased uncertainties in the financial markets. The probability of default increased across many asset classes, including sovereign debt, resulting in a multitude of credit rating downgrades and widening credit spreads. In addition, price volatility of many financial assets such as equities, credit and structured products increased significantly. Simultaneously therewith, liquidity in the markets for these assets decreased substantially, making it difficult to sell certain assets at reasonable prices.

Demographics, inflation, interest rates, consumer and business spending, recession, unemployment and other such factors which are beyond the Issuer's control, including general economic conditions, may also influence the Group's overall performance and results.

b. Business-specific market risks

Insurance Business Risk

One of the principal Subsidiaries of the Issuer, GCLI is engaged in Class I (life and annuity) and Class III (linked long term) insurance activities, which are subject to insurance risk, as further highlighted below. If any of the risks hereunder is not adequately managed, then this could have a material adverse effect on the assets, financial condition and results of the operations of GCLI, thereby impacting the Issuer.

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount and timing of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behaviour, changes in public health, pandemics and catastrophic events such as earthquakes, industrial disasters, fires, riots or terrorism.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk and geographical location.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that GCLI faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could take place because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

i. Frequency and severity of claims

For contracts where death is the insured risk, the most significant factor that could increase the overall frequency of claims are epidemics or widespread changes in lifestyle resulting in earlier or more claims than expected. In this regard, undue concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis.

For contracts with fixed and guaranteed benefits and fixed future premiums there are no mitigating terms and conditions that reduce the insurance risk accepted.

ii. Sources of uncertainty in the estimation of future benefit payments and premium receipts

Uncertainty in the estimation of future benefit payments and premium receipts for long term insurance contracts arises from the unpredictability of long term changes in overall levels of mortality and the variability in contract holder behaviour.

GCLI may be liable for certain insured events that occur during the term of a contract, even if the loss is discovered after the end of the contract term. As a result, the estimation of claims incurred but not reported (‘IBNR’) is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to GCLI where information about the claim event is generally available. Certain classes of business, most notably those exposed to liability, can take several years to develop and are therefore subject to a greater degree of uncertainty than other classes of business which are typically settled in a shorter period of time.

The assumptions used in conventional statistical or actuarial models used in the estimation of claims reserves may differ from actual future results.

The estimated cost of claims includes direct expenses to be incurred in settling claims, value and recoveries. Given the uncertainty in establishing claims provisions, it is possible that the final outcome will prove to be different from the original liability established.

iii. Actual results could deviate from the actuarial and other assumptions made in calculating the actuarial reserves in life insurance business and in computing the value of in-force business

The assumptions used in calculating actuarial reserves and the value of in-force business may differ from actual future results. Actuarial reserves are calculated and the associated value of in-force business is based on recognised actuarial methods and assumptions. These assumptions include estimates of long-term developments in interest rates, financial investment yields, the allocation of financial investments between shares, interest-bearing securities and other categories, participations in profits, mortality and morbidity rates, lapse rates as well as future costs. Changes in these assumptions or incorrect assumptions may lead to an increase of the actuarial reserves for the life insurance business and to changes in the value of in-force business.

iv. Reinsurance

The lack of available reinsurance protection or the availability of reinsurance protection at increased costs and/or the inability to pay/untimely payment by reinsurers, could have a material adverse effect on the earnings of GCLI and consequently of the Issuer.

Reinsurance does not discharge GCLI's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, GCLI remains liable for payment to the policyholder.

Various factors applying to the global reinsurance market may from time to time result in higher premiums sought by reinsurers for the acceptance of risk on their part. This will inevitably have a negative impact on the assets, financial position and earnings for GCLI and consequently for the Group. Such negative impacts may also occur should GCLI be unable to cede certain risks to reinsurance companies at an economical cost, retaining larger proportions of risks for its' own account thus increasing its' exposure to uncertainty on the probability of occurrence.

v. Distribution channels

GCLI distributes its insurance products through a combination of direct sales and of third party distributors that include tied insurance intermediaries and insurance brokers. GCLI may accordingly be exposed to the risk of distributors seeking to terminate their business relationship, which could lead to a loss of business. GCLI also may also be exposed to the risk of its own employees and third party distributors mis-selling policies.

vi. Dependence on insurance business

The diversification of the Company's Subsidiaries across different business sectors does not eliminate the Issuer's dependence on GCLI and there can be no guarantee as to the level of success that will be achieved by GCLI, its results of operations or financial condition generally. Nor can there be any guarantee that the measures which may be implemented by the Company across its Group to mitigate its investment risk will be effective in any given economic or market circumstances or at all.

Investment Services Business Risk

GCFM's income and profits or losses from its investment and advisory business, may vary significantly from year to year as a result of market cycles, including volatile movements on the financial markets, in equity and bond prices, interest rates and exchange rates which may reduce investment and demand for investment products promoted or distributed by GCFM. A decline in the financial markets could also have an adverse effect on GCFM's ability to earn advisory and other fees.

GCLI's and GCFM's performance is also influenced by returns dependent to a significant extent on the health of the financial markets, both locally and overseas.

Stock Market Risk

GCLI and GCFM's local stock market investments may be affected by the relatively low liquidity of the local market as a whole. Protracted market declines, both locally and internationally, can also reduce the liquidity of the assets of GCLI and GCFM which can in turn have an adverse effect on the Issuer. If GCLI and GCFM require significant amounts of cash on short notice in excess of anticipated cash requirements at a time when some or any of their respective assets have low liquidity they may have difficulty selling these investments in a timely manner at the fair values at which these investments are reflected in their respective financial statements. This potential constraint may be more marked in the case of securities listed on the local stock market.

Real Estate Market Risk

The Issuer's real estate Subsidiaries will be influenced by the health of the property market, both locally and overseas, and fluctuations in property prices. An increase in supply and/or a reduction in demand in the property markets in which the Company's real estate Subsidiaries are active could impact negatively upon the capital value, income streams and investment strategy of those Subsidiaries and consequently of the Issuer.

c. Interest rate fluctuations

The Issuer and its Subsidiaries are exposed to the risk of fluctuating market interest rates. Assets/liabilities with variable rates expose the Group and the Company to cash flow interest risk. Assets/liabilities with fixed rates expose the Group and the Company to fair value interest rate risk to the extent that they are measured at fair value.

Interest rate fluctuations in the Eurozone significantly influence the value of the Group's financial assets. Interest rate fluctuations result in the following risks:

- Write-downs: Book value depends on changes in the interest rate level; if interest rates rise, the market value of these securities falls.
- Attractiveness of products: The sales success of fund and index linked products also depends on the volatility of capital markets. Fluctuations in the capital markets, in particular in interest rates, influence the attractiveness of these products.
- Reinvestment: Upon the maturity of higher-interest securities, a lower interest level at the time of reinvestment in interest-bearing securities will lead to a decline in net earnings.

Interest rate fluctuations may have a material adverse effect on the financial and earnings position of the Group.

d. Price risk

The Group and the Company are exposed to market price risk arising from the uncertainty about the future prices of investments held at fair value through profit or loss or as available for sale.

e. Currency risk

The Group's and the Company's exposure to foreign exchange risk arises primarily from investments that are denominated in currencies other than the Euro. The Group's exposure to foreign currency investments (principally comprising a mix of US Dollar and UK Pound) represented seven per centum (7%) of the Group's total investments as at 31 December 2014 and four point zero nine per centum (4.09%) as at 30 June 2015. Six per centum (6%) of the Group's cash equivalents, at 31 December 2014 and eight point forty-eight per centum (8.48%) as at 30 June 2015, are denominated in foreign currency (principally comprising a mix of US Dollar and UK Pound).

3.2.1.2 Liquidity risk

Liquidity risk is the risk of decrease in profits or capital, arising from an inability of the Group to meet its immediate obligations, without incurring additional costs. This risk can arise from mismatches in the timing of cash flows relating to assets, liabilities and off-balance sheet instruments. The Group is also exposed to significant liquidity risk in relation to interest and capital payment obligations arising on the Bonds. Accordingly, the Group is exposed to increased risk of default vis-à-vis its capital requirement obligations, consequently running the risk of impeding its ability to continue as a going concern.

3.2.1.3 Credit Risk

The Group and the Company have exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. These include issuers of securities held by the Group, reinsurers, customers and trading counterparties. Due to insolvency, a lack of liquidity, an economic downturn or a decline in real estate values, business management errors or other reasons, these parties may no longer be in a position to satisfy their obligations towards the Company and/or its Subsidiaries. Financial assets that potentially subject the Group to concentrations of credit risk consist principally of:

- Investments (including counterparty risk);
- Reinsurers' share of technical provisions;
- Trade and other receivables; and
- Cash and cash equivalents.

3.2.2 Regulatory matters

The Group is subject to a broad regulatory framework, relating, in particular, to the insurance and investment services activities of its Subsidiaries. As a result, the Group operates in a highly regulated environment. GCLI and GCHIA are licensed by the MFSA under the Insurance Business Act and the Insurance Intermediaries Act respectively. GCFM is licenced by the MFSA under the Investment Services Act and the Financial Institutions Act. Furthermore, GCFM is licenced as an Alternative Investment Fund Manager - De Minimis AIFM and as a Recognised Fund Administrator.

In particular, the Solvency II Directive, as supplemented by the Solvency II Regulation, encompasses requirements on own funds, the calculation of technical provisions, valuation of assets and liabilities, governance structure, regulatory reporting and disclosure as well as governance of insurance companies ("Solvency II"). GCLI has had to comply with the Solvency II regime as from 01 January 2016 in accordance with its statutory obligations. Solvency II provides for more risk-sensitive standards in relation to capital requirements, aims to align capital requirements for insurance companies with those applicable to banks and investment firms in order to avoid regulatory arbitrage, as well as to align regulatory capital with economic capital and bring about an enhanced degree of public disclosure. The Solvency II regime has created a stricter and more comprehensive regulatory framework (compared to the supervisory and solvency rules existing pre-2016 ("Solvency I")) for insurance and re-insurance within the EU. As a result, solvency and capital ratio requirements for insurance and reinsurance have become more onerous compared to the previous Solvency I regime and also result in capital ratios becoming more volatile.

In the event that GCLI should, at any time, have inadequate capital resources to meet the applicable regulatory capital requirements, GCLI could be subjected to regulatory sanctions which may have a detrimental effect on the ongoing insurance business activity of GCLI, and in the most extreme case could lead to the suspension or termination of GCLI's insurance business activity. In addition, the imposition of fines could have a material adverse effect on the assets, financial position and earnings of GCLI and consequently of the Group. Moreover, the violation of regulatory requirements could lead to intensified supervision of GCLI and, accordingly, to an increase in operational expenses.

In view of the Group's activities and revenues the Issuer constitutes a mixed activity insurance holding company and is therefore not required to meet a group minimum capital requirement ("Group MCR") and a group solvency requirement ("Group SCR") under the Solvency II regime. However, in the event that the Issuer were to constitute, at any time after the 01 January 2016, an insurance holding company as a result of a change in the nature of its activities and revenues, the Issuer will be required to meet a group minimum capital requirement ("Group MCR") and a group solvency capital requirement ("Group SCR") under Solvency II which would in turn entail significantly more onerous capital requirements, increased operational costs, and the potential exposure of the Issuer to the detrimental effects referred to in the preceding paragraph of this clause 3.2.2.

3.2.3 Operational risks

The Group is exposed to a number of operational risks, as detailed hereunder:

i. Key succession planning

The loss of specialised employees occupying key positions within the different business units making up the Group could result in a loss of know-how.

The financial results of the Group are to a significant degree dependent on the existing market and industry knowledge of its management. The loss of executives or of employees in key positions could materially adversely affect the assets, financial position and earnings of the Group if it is not possible to fill the vacant positions with equally qualified executives within an appropriate time period.

ii. Fraud risk

The Group is exposed to the risk of damages arising as a result of illicit manipulation. Such manipulation, if not countered by effective control, could lead to financial losses.

iii. The Group relies on complex IT systems, which could be considerably impaired by internal and external factors

The Group is dependent on the functioning of an efficient IT system (hardware and software). IT systems are susceptible to a number of risks, such as computer viruses, hackers, or damage to critical IT hardware. The partial or complete failure of the Group's IT systems, accompanied by a breakdown in back-up resources, could lead to a significant disruption of business processes, a temporary shutdown of business operations, claims for damages and/ or a loss of customers. Should such events or similar events occur and lead to damages or lost revenues, there could be a material adverse effect on the Group's assets, financial position and earnings.

3.2.4 Reputational risk

Reputational risk is usually associated with conflicts of interest, regulatory compliance, remuneration systems, professional behaviour of the human resources, reputation and financial soundness of major shareholders, corporate culture, leadership and corporate strategy and its implementation. Reputational risk could materially and adversely affect the Group's ability to retain or attract customers, particularly institutional and retail customers, whose loss could adversely affect the Group's operations, financial condition and prospects. More specifically, reputational harm may result in the loss of market share and revenue, increased compliance costs and higher financing costs, reflecting the perceived increased risks.

3.2.5 Other Business Arrangements

GCHIA is dependent on its business arrangement with BUPA Insurance Limited, a company incorporated in England and Wales, with registration number 3956433. The termination or modification of this or any other material arrangements for any reason whatsoever could have a significant and adverse effect on the business of GCHIA and consequently on the Issuer, particularly if GCHIA is not able to renew or replace these arrangements with alternative arrangements on similar or equally favourable terms. In particular, any change of control in the Issuer resulting as a consequence of the Rights Issue may trigger any "change of control" or other termination provisions in the Subsidiaries' business agreements thereby having a significant adverse effect on the business of the Subsidiaries and consequently of the Group. Any adverse economic, market or other circumstances which may impact negatively on GCHIA's operations may be accentuated in their impact on the Group as they may in turn necessitate the impairment of goodwill carried on the Issuer's balance sheet.

3.2.6 Business Strategy Risk

Strategic risk is the risk associated with the future business plans and strategies of the Group. Improper strategic choices or the actual implementation of strategic decisions, as well as lack of responsiveness to changes in the economic environment, can have a serious and significant impact on prospective financial results. Closely linked with the above, business risk is the risk associated with the particular business and operating circumstances of the Group, and is more within the control of decisions taken by management but which nevertheless can have a significant impact on operating and business results.

3.2.7 Legal and compliance risk

The Group is exposed to various forms of legal and compliance risk due to the extent and complexity of its operations and the wide range of its regulatory obligations.

Governmental and other regulatory authorities continue to introduce proposals to strengthen the regulatory and supervisory framework for the financial services industry which include, *inter alia*, stricter own funds requirements, liquidity standards, the regulation of types of business considered as potentially high risk, expansion of the powers of competent authorities, and new or additional forms of redress for consumers of financial services. Such future changes to the existing regulatory framework for the financial services industry may be significant with negative impacts on the Group, such as increased cost of capital due to stricter own funds requirements and additional administrative cost incurred in the implementation and compliance with such new rules. In particular, the implementation of Solvency II is causing a substantial increase in the regulation applicable to insurance companies, including increased (quantitative and qualitative) capital and disclosure requirements, as well as restrictions on certain types of transactions, as set out in more detail under section 3.2.2 "*Regulatory Matters*" above.

Financial service firms are also at risk of regulatory sanctions or fines related to conduct of business and financial crime. The incidence of regulatory proceedings against financial service firms is increasing, with a consequent increase also in civil litigation arising from or relating to matters which are subject to regulatory investigation, sanction or fine.

In recent years, the regulated operating Subsidiaries of the Issuer have experienced increasing levels of compliance risk as regulators pursued investigations into historical and existing activities, and the Group remains in regular communication with the MFSA in relation to possible breaches of regulations. The direct and indirect costs of regulatory breaches can be significant. Given the increased levels of regulatory scrutiny experienced in recent years across the financial services industry and the substantial rise in the volume of new legislation and regulation the level of inherent legal and compliance risk faced by the Group will continue to remain high for the foreseeable future.

The volume and amount of damages claimed in legal and other adversarial proceedings against financial services firms are increasing for many reasons, including legislative and regulatory developments and changes in regulatory policy, increased media attention and higher expectations from the government, regulators and the public.

Judicial and regulatory decisions that are unfavourable to other regulated companies operating in the same sectors as the Group may also have implications for the Issuer's regulated operating Subsidiaries, even in cases in which the Subsidiary in question is not a party to the proceedings. This could occur in cases where certain business practices or contractual provisions are interpreted against third party service providers in circumstances where the same or similar business practices or contractual provisions have historically also been adopted by any of the Issuer's regulated operating Subsidiaries. For instance, decisions that have an impact on life insurance policies or terms of investment services business could affect the whole of the insurance and investment services industries respectively. As a result, such judicial and/or regulatory decisions may have a material adverse impact on the Group's results, business, financial condition and prospects.

Certain Group companies are themselves subject to on-going legal proceedings and regulatory investigations in respect of their financial services business and consumer claims for mis-selling of financial products. It is inherently difficult to predict the outcome of such legal proceedings, regulatory investigations and other adversarial proceedings involving Group companies particularly in those cases in which the liquidation of damages is being sought, or in which matters are brought on behalf of classes of claimants, or which otherwise involve novel legal claims.

Such proceedings and/or investigations could result in the Group incurring significant expense, substantial financial loss, fines, penalties and reputational damage and could have a material adverse effect on the Group's results, business, financial condition and prospects, including the potential loss of key licences, potential regulatory restrictions and/or the requirement to exit certain businesses and payments of compensation to customers. Moreover, the Group may face additional legal proceedings and regulatory investigations in the future with respect to matters similar or different to the existing proceedings and investigations. As a result the Group faces significant legal and compliance risks in its business.

In addition, accounting provisions for legal proceedings and regulatory matters typically require a higher degree of judgement than other types of provisions. Accounting judgements and estimates can be difficult because of the high degree of uncertainty associated with determining whether a present obligation exists, and estimating the probability, timing and amount of any outflows that may arise. As such legal proceedings and/or regulatory matters progress previous accounting judgements and estimates may need to be revised, however, any amount provisioned is likely to remain very sensitive to the assumptions used. There could be a wide range of possible outcomes for any pending legal proceedings, investigations or inquiries. As a result, it is often not practicable to quantify a range of possible outcomes for individual matters. It is also not practicable to meaningfully quantify ranges of potential outcomes in aggregate for these types of provisions because of the diverse nature and circumstances of such matters and the wide range of uncertainties involved.

3.2.8 Competition

The insurance and investment services markets are highly competitive, with several factors affecting the Group's insurance and investment services Subsidiaries' ability to sell their products, including price and yields offered, financial strength, range of product lines and product quality, brand strength and name recognition, investment management performance and historical bonus levels. In some of its markets the Group faces competitors that are larger, have greater financial resources or a greater market share, offer a broader range of products or have higher bonus rates, claims-paying ratios, or products delivering superior returns.

In addition to the above, the financial services industry is also very competitive and the Group faces substantial competitive pressures which could adversely affect the Issuer's results of operations and profitability.

Competition in the financial services industry is affected by the high level of consolidation, both at national and an international level, in the markets in which the Issuer's regulated Subsidiaries operate. The Group competes with other insurance and investment services providers, including the subsidiaries and/or associated companies of national and multi-national banking, insurance, and other investment services firms which are authorised in Malta and/or which have established a branch and/or provide their services in Malta on a cross border basis under the EU freedoms of establishment and services on a cross border basis.

Competitive pressures could result in a reduction in margins on a number of the Group's products and services and may affect the Issuer's ability to maintain or increase profitability. Competition is also expected to result in increased pressures on the availability of technical and qualified human resources and this in turn may pose a challenge to the retention by the Group of its key personnel.

3.2.9 External Factors

The Group's overall performance and results may also be adversely affected by external factors beyond the Issuer's control. These include changes in economic conditions, political factors, business cycles, volatility in financial markets and increased competitive pressure in the financial services sector.

3.2.10 Solvency Risk

The Shareholders assume the credit risk of the Company as the Issuer of the Shares. In the case of insolvency of the Issuer, the Shareholders may suffer direct and materially adverse consequences, including loss of their entire investment.

3.2.11 Future Funding Risk

In addition to the net proceeds from the Rights Issue, the Company requires additional funding of circa €10,100,000 to meet its working capital shortfall of €14,597,300 which includes its Bond obligation of €13,823,200 together with one year's accrued interest thereon at 5.6%. In this regard, there is no guarantee that the prevailing market conditions will be conducive to such further financing, or that Shareholder support to raise any additional funding would be forthcoming.

4 PERSONS RESPONSIBLE

Each and all of the Directors whose names appear in section 11 of this Registration Document, are the persons responsible for the information contained in this Registration Document. 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 Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Directors accept responsibility accordingly.

5 ADVISERS AND STATUTORY AUDITORS

5.1 ADVISERS

Legal Counsel:

Refalo & Zammit Pace Advocates, 61, St. Paul Street, Valletta VLT 1212, Malta

Sponsor, Manager and Registrar:

Rizzo, Farrugia & Co. (Stockbrokers) Ltd. Airways House, Third Floor High Street, Sliema SLM 1549, Malta

Rizzo, Farrugia & Co. (Stockbrokers) Ltd. holds a Category 3 license issued by the Malta Financial Services Authority and is a member of the Malta Stock Exchange.

5.2 STATUTORY AUDITORS

Deloitte Audit Ltd, Deloitte Place, Mriehel Bypass, Birkirkara BKR 3000, Malta

Deloitte is a firm of certified public accountants, holding a warrant to practice the profession of accountant and a practising certificate to act as auditors in terms of the Accountancy Profession Act, Cap. 281 of the laws of Malta.

6 INFORMATION ABOUT THE ISSUER

6.1 HISTORY AND DEVELOPMENT OF THE ISSUER

6.1.1 Introduction

Legal Name of the Company	GlobalCapital p.l.c.
Registered Address	GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta
Place of Registration and Domicile	Malta
Registration Number	C 19526
Date of Registration	21 December 1995
Legal Form	The Company is lawfully existing and registered as a public limited company in terms of the Act
Telephone No.	+356 21 342 342
Fax No.	+356 21 333 100
Email Address	info@globalcapital.com.mt
Website	www.globalcapital.com.mt

6.1.2 Important Events in the Development of the Company

The Company was registered in Malta on the 21 December 1995 as a private limited liability company under registration number C 19526 and is domiciled in Malta.

The status of the Company was changed to that of a public limited liability company on 27 July 2000 and its ordinary shares were listed on the Official List of the Malta Stock Exchange on 6 March 2001.

On 12 June 2002 the Company changed its name from "Globe Financial Management p.l.c." to "GloBAl Financial Services Group p.l.c." and completed the acquisition of the local operations of British American Insurance Co. (Mtius) Ltd. on 16 January 2003 (the "**Merger**"). As a result of the Merger British American Insurance Co. (Mtius) Ltd came to hold approximately 48% shareholding interest in the Company, while the Company acquired a 100% interest in GCLI, formerly British American Insurance Co. (Malta) Ltd, which carries on life assurance business and GCHIA, formerly BUPA Agencies Limited, which acts as an insurance agent.

In May 2006, the Company issued €17,000,000, 5.6% Bonds maturing on 2 June 2016, subject to an early redemption at the option of the Company on 2 June 2014 and 2 June 2015. The proceeds from the Bonds were used in part to finance group operations and in part to acquire investment property.

On 30 June 2006, the Company changed its name from "GloBAl Financial Services Group p.l.c." to "GlobalCapital p.l.c."

In the period between 01 January 2008 and 31 December 2013, the Group registered a loss after taxation of €26,159,730. During 2010, the Company announced a change in strategy to significantly reduce its exposure to the real estate sector and appointed a new chief executive officer to remodel and refocus the senior management team.

As part of the Company's change in operational strategy, in early 2011 the Group moved into its present head office premises at Testaferrata Street, Ta' Xbiex Malta, providing a centralised operational base from which to carry out its core activities. Since 2013, the Issuer's attention has been increasingly focused on the Group's insurance business activities and the reduction of the Group's expense base.

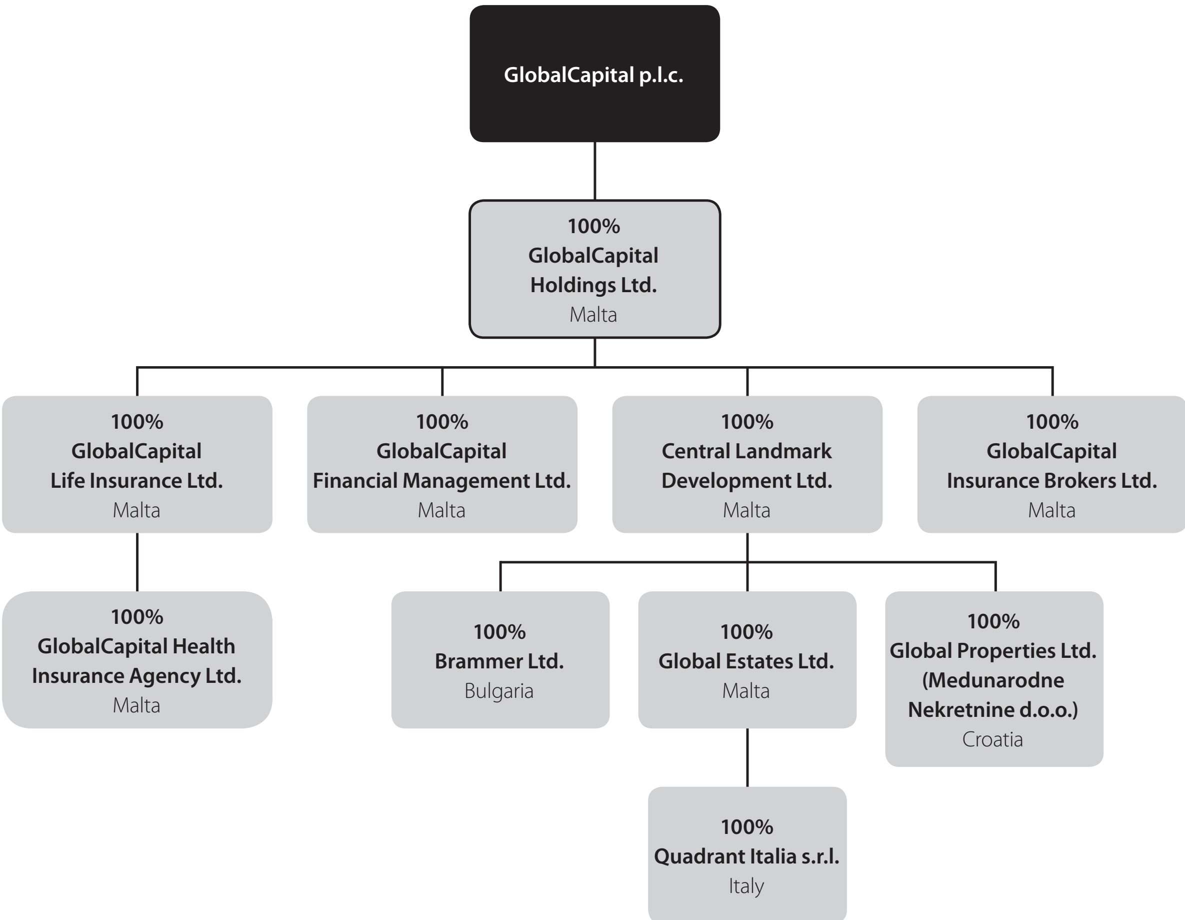
In June 2014 the Company appointed Mr. Reuben Zammit, formerly the Company's chief financial officer, as the Group's chief executive officer. For the financial year ended 31 December 2014, the Issuer reported a profit after taxation of €222,671 compared to a loss after taxation in the prior financial year of €3,661,194. On 03 April 2015, the Financial Services Commission ("FSC") of Mauritius, in exercise of its powers pursuant to section 106 of the Insurance Act 2005 of Mauritius, appointed conservators for BAI Co (Mtius) Ltd, formerly British American Insurance Co. (Mtius) Ltd, ("**BAI**") which holds approximately 48% of the Ordinary Shares of the Company. Subsequently on 30 April 2015 the FSC appointed special administrators in BAI and any of its related companies under section 110A(2) of the Insurance Act 2005 of Mauritius.

On 16 September 2015 the Company resolved in general meeting to issue up to a maximum amount of new Ordinary Shares not exceeding the authorised share capital of the Company and that such authorisation be valid for a maximum period of 12 months from the date of approval of the said resolution. The approval of the increase in issued share capital of the Company pursuant to the aforementioned resolution serves to facilitate the Rights Issue contemplated by this Prospectus.

On 15 October 2015, Investar acquired 1,180,000 Ordinary Shares from Aberdeen Asset Management p.l.c, which represents 8.93% of the issued Ordinary Shares of the Company.

6.2 ORGANISATIONAL STRUCTURE

The diagram below summarises the Issuer's group structure as at the date of this Registration Document.



As can be seen from the above diagram, the Issuer is the parent company of the Group. GlobalCapital Insurance Brokers Ltd ceased operations in 2013 and is in the process of being amalgamated into GlobalCapital Holdings Ltd. Furthermore, Brammer Ltd does not carry out any business activities and will be placed in liquidation in 2016.

6.3 BUSINESS OVERVIEW

6.3.1 Principal Activities

The principal object of the Issuer is to carry on the business of a holding and investment company. The Issuer does not itself undertake any trading activities. Accordingly, the Issuer is economically dependent on the financial and operating performance of the business of its Subsidiaries. The Issuer operates exclusively in and from Malta. The Subsidiaries operate primarily in the following business sectors:

- Business of insurance;
- Investment and advisory services;
- Insurance intermediation activities; and
- Property holding and management

The table below sets out the analysis of Group consolidated revenue from external customers by business segment as presented in the consolidated annual report and audited financial statements for each of the financial years ended 31 December 2012, 2013 and 2014 and for the six-month period ended 30 June 2015.

	FY 2012	FY 2013	FY 2014	Jan - Jun 2015
	€'000s	*€'000s*	*€'000s*	*€'000s*
Business of insurance	7,142	6,794	8,219	4,891
Investment and advisory services	962	799	886	439
Agency and brokerage services	2,144	2,000	1,551	919
Property services	228	112	95	–
Total revenue from external customers	**10,476**	**9,705**	**10,751**	**6,249**

i. Business of insurance

GCLI (formerly, British American Insurance Co. (Malta) Ltd) was incorporated on 21 December 2001, with registration number C 29086. It has an issued and fully paid up share capital of €9,969,870. Its registered office is situated at Testaferrata Street, Ta' Xbiex Malta.

The following table represents the total equity of GCLI:

GCLI

as at 31 December	2012	2013	2014
	€'000s	*€'000s*	*€'000s*
Share capital	9,970	9,970	9,970
Other reserves	3,552	4,320	4,644
Retained earnings	(1,793)	(2,299)	781
Total equity	**11,729**	**11,991**	**15,395**

GCLI was authorised by the MFSA on 15 January 2003 to carry on long-term business of insurance in Malta as principal under Class I (Life and Annuity) and on 6 July 2007 under Class III (Linked Long Term), in terms of the Insurance Business Act, 1998, Cap. 403, laws of Malta. In January 2003, GCLI took over the Maltese insurance business portfolio of BAI which had been carrying on life assurance business in Malta since 1965.

GCLI is engaged principally in ordinary life assurance business (interest sensitive and term) and industrial life assurance business (home service). It provides both single premium and regular premium saving products and a range of life assurance products, including term, interest-sensitive endowment, life assurance and group life policies.

ii. Investment and advisory services

GCFM (formerly, Globe Financial Management Limited) was incorporated on 1 August 2002 with registration number C 30053 and was authorised by the MFSA on 23 March 2006. It has a subscribed and fully paid up share capital of €6,171,673.76. Its registered office is situated at Testaferrata Street, Ta' Xbiex, Malta.

The following table represents the total equity of GCFM:

GCFM

as at 31 December	2012	2013	2014
	€'000s	*€'000s*	*€'000s*
Share capital	6,172	6,172	6,172
Share premium account	506	506	506
Other reserves	8	8	8
Retained earnings	(3,822)	(4,931)	(5,395)
Total equity	**2,864**	**1,755**	**1,291**

GCFM is licensed to provide investment services under a Category 2 licence issued by the MFSA in terms of the Investment Services Act. It is also licensed to provide money broking and trading in foreign exchange in terms of the Financial Institutions Act.

GCFM provides a range of investment services including dealing as agent, arranging deals, the provision of investment advice, nominee services, foreign exchange and stockbroking services. GCFM promotes a diversified range of investment products, including retail and professional investment funds. It also provides local and international stockbroking services on recognised investment exchanges and investment advice to clients.

iii. Insurance intermediation activities

GCHIA, (formerly BUPA Agencies Limited) was incorporated on 7 June 1983 with registration number C 6393 and was authorised by the MFSA on 4 August 2000 in terms of the Insurance Intermediaries Act. GCHIA was previously authorised in terms of the Insurance Business Act, 1981 (repealed by the Insurance Business Act). GCHIA was acquired by British American Insurance Co. (Mtius) Ltd on 7 January 1998 and later acquired by the Group by virtue of the Merger referred to in section 6.1 above. GCHIA has a fully paid up share capital of €174,703 divided into 70,000 ordinary "A" shares of €2.329373 each held by GCLI and 5,000 non-profit participating "B" shares of €2.329373 each held by BUPA Investments Limited of BUPA House, 15 – 19 Bloomsbury Way, London WC1A 2BA, United Kingdom. The "A" ordinary shares are designated as profit participating shares while the "B" ordinary shares are designated as non-profit participating shares. All of the ordinary shares carry voting rights. GCHIA's registered office is situated at Testaferrata Street, Ta' Xbiex, Malta.

The following table represents the total equity of GCHIA:

GCHIA

as at 31 December	2012	2013	2014
	€'000s	*€'000s*	*€'000s*
Share capital	175	175	175
Other reserves	163	163	163
Retained earnings	1,692	2,623	2,197
Total equity	**2,030**	**2,961**	**2,535**

GCHIA is the exclusive agent in Malta for BUPA Insurance Limited ("**BUPA**") and is duly licensed by the MFSA to act as insurance agent for Sickness Insurance (General Business). Statistics published by the Malta Insurance Association, in its Annual Report 2014-2015 (the "**MIA Annual Report**"), indicate that BUPA maintains a strong position within the ambit of private medical insurance in Malta. GCHIA acts as a branch of BUPA which has passported its services under the EU provisions of Freedom of Establishment. GCHIA is registered as an insurance agent and is regulated by the MFSA. BUPA is a leading international health insurance service provider established in 1971.

The agency activity conducted in Malta by GCHIA constituted the first BUPA agency of its sort outside the United Kingdom. As the exclusive agent in Malta for BUPA, GCHIA is engaged in the promotion, administration and provision of health insurance cover for individuals and groups in Malta. GCHIA also provides BUPA with client and back office support services in respect of its local business in Malta. Accordingly, the economic viability of GCHIA depends on its business arrangement with BUPA, the termination or modification of which could have a significant and adverse effect on the business of GCHIA and consequently on the Issuer. The risks associated with this arrangement are set out in section 3.2.5 of this Registration Document under the heading "*Business Arrangements*".

Until 2013 one of the Issuer's Subsidiaries, GlobalCapital Insurance Brokers Limited ("**GCIB**") (formerly, MY Insurance Brokers Limited) was enrolled in the Brokers List and was authorised to carry on the business of insurance broker by the MFSA in terms of the Insurance Intermediaries Act, on 25 November 2003. GCIB was incorporated on 14 November 2003 with registration number C 32451. GCIB has a subscribed and fully paid up share capital of €487,759. Its registered office is situated at Testaferrata Street, Ta' Xbiex, Malta. In view of the Issuer's objective to focus on the life and health insurance business segments of the Group, the business activities of GCIB were discontinued in October 2013. GlobalCapital Insurance Brokers Ltd ceased operations in 2013 and is in the process of being amalgamated into GlobalCapital Holdings Ltd.

The following table represents the total equity of GCIB:

GCIB

as at 31 December	**2012**	**2013**	**2014**
	€'000s	*€'000s*	*€'000s*
Share capital	488	488	n/a
Accumulated losses	(385)	(331)	n/a
Total equity	**103**	**157**	**n/a**

iv. Property holding and management

The Group holds immovable property both locally and overseas through its Subsidiaries as set out in section 7 of this Registration Document. The immovable property interests of the Group are managed through its wholly owned subsidiary Central Landmark Development Limited ("**CLD**"). CLD was incorporated on 25 October 2004, with registration number C 34858. It has a subscribed and fully paid up share capital of €1,164 and its registered address is located at Testaferrata Street, Ta' Xbiex, Malta.

Details of the Group's property holdings are set out in section 7. As stated in 6.3.3 below, the Issuer's investment strategy is to divest of a significant portion of the Group's investment property, with a targeted reduction of up to ten per centum (10%) of the overall investment portfolio. As at 30 June 2015, total property assets comprised approximately 31% of the Group's total investment portfolio.

CLD continues to provide property management services to tenants of immovable property owned by the Group.

6.3.2 Principal Markets

The Group's turnover as at the date of this Registration Document is generated primarily in and from Malta.

6.3.3 Investments

The Issuer's principal investments comprise investment property (discussed in section 7.2) and other investments as outlined below. The table below, as well as the table in section 7.2, illustrate the balances at 30 June 2015 being the date of the latest available public financial information. There has been no significant adverse change in the composition of the Issuer's investments between 30 June 2015 and the date of this Registration Document.

The table below sets out the analysis of the Group's consolidated Investments as presented in the consolidated annual report and audited financial statements of the Issuer for each of the financial years ended 31 December 2012, 2013 and 2014, and as at 30 June 2015.

	FY 2012	FY 2013	FY 2014	30 June 2015
Other investments	*€'000s*	*€'000s*	*€'000s*	*€'000s*
Investments at fair value through profit and loss				
Listed shares	8,227	9,021	10,669	11,179
Collective investment schemes	3,276	3,347	4,648	5,152
Debt securities	25,877	24,448	26,100	27,398
Held-to-maturity investments				
Government bonds	5,326	5,317	5,307	5,302
Listed corporate bonds	2,783	2,774	2,764	2,122
Available-for-sale investments				
Listed shares	1,398	1,688	1,303	988
Loans secured on policies	144	134	146	135
Term deposits held for investment purposes	2,627	1,600	1,000	Nil
Total other investments	**49,658**	**48,329**	**51,937**	**52,276**

The Group's financial investments in the table referred to above comprise primarily investments held in relation to the life fund of GCLI, a fully owned subsidiary of the Issuer. The portfolio of investments supporting GCLI's life fund is, at present, determined by GCLI with reference to actuarial advice, with a view to securing an income yielding portfolio which is consistent, in terms of performance and risk, with the normal market expectations of policyholders. The precise components of this portfolio may be expected to vary from time to time, subject to the investment parameters established by GCLI.

The Issuer aims to balance the other investments of the Group between income generating instruments and growth assets. The Group's income-generating portfolio comprises cash instruments and fixed-interest securities whereas growth assets comprise equities and investment property. The current strategy is to target a reduction in the investment property assets to approximately ten per centum (10%) of the overall Group investment portfolio.

The Issuer attempts to mitigate investment risk through investment policies designed to minimise the risk associated with holdings in particular equities and bonds. As with any activity of this nature, however, there can be no guarantee that any of these measures will be effective to mitigate the Group's investment risk in any given economic and market circumstance.

7 PROPERTY, PLANT AND EQUIPMENT

7.1 THE GROUP HEADQUARTERS

The Group's main office building in Testaferrata Street Ta' Xbiex comprises land and the building erected thereon with a carrying value of €2,396,060 as at 30 June 2015 and office furniture, fittings and equipment with a carrying value of €194,281 as at 30 June 2015. These assets are stated at cost less accumulated depreciation.

Further details are included in note 13 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2014.

7.2 INVESTMENT PROPERTY

7.2.1 Investment Property held by Subsidiaries

As at 30 June 2015 the Subsidiaries set out below held the following investment property portfolio assets:

Investment Property	30 June 2015
	€'000s
GlobalCapital Life Insurance Limited	13,241
Global Properties Limited	750
Quadrant Srl	5,500
Net Book Value	**19,491**

The following is a list of the immovable properties owned by the various Subsidiaries of the Issuer together with relevant details:

i. GlobalCapital Life Insurance Limited

- Levels two, four and five of an eight storey corner block of buildings which is located centrally along The Strand, Gzira, Malta. The building is built on a site of approximately 460 square metres having a frontage of around 11.5 metres overlooking The Strand and a depth of approximately 38 metres, abutting onto Triq Henry F. Bouverie. Each of the respective units occupies an entire floor within the said block of buildings. The building is approximately 20 years old.
- An eight-storey building which is centrally located along The Strand, Gzira, Malta. The building has an approximate area of 408 square metres with a frontage of around 12 metres and an average depth of approximately 34 metres. The respective built up levels consist of seven full office floors with an overlying additional recessed penthouse office level together with the respective overlying airspace. GCLI owns the entire block of building with the exception of part of the first floor and the back yard of the building, which are owned by third parties. GCLI has entered into a conditional promise of sale agreement with a third party for the sale of the property by no later than 31 December 2016.
- A six-storey building situated in Constitution Street Mosta, Malta. The premises are built on a site of approximately 87 square metres having a main width/frontage of around 6.3 metres narrowing to around 4 metres at the rear. The respective built-up levels consist of a basement level storage area with overlying duplex ground / intermediate, first, second and penthouse level offices. The entire building is currently leased out to a bank.
- A residential housing unit with an area of approximately 56.8 square metres located at C/Santa Monica, Barcelona, Spain. The property is a collective housing unit, within a block of five floors above ground level.
- A property comprising two overlying three-bedroom apartments situated at first and second floor levels together with a two-car lock-up garage situated in the underlying basement level in Swieqi, Malta. The gross internal floor area of each individual apartment is of approximately 110 square metres.
- A two-storey building situated in Zabbar Road, Fgura, Malta. The property is built on a site of approximately 156 square metres with a width/frontage of around 6.4 metres and an overall depth of around 24.5 metres. The total internal gross floor area of the said premises over the various levels is approximately 206 square metres. The ground level is approximately 93 square metres, the first floor is approximately 89 square metres and the roof level is approximately 24 square metres.

- Level four and five of an eight-storey building in Testaferrata Street Ta' Xbiex, Malta with an approximate floor area of 490 square metres and garage parking spaces having an approximate floor area of 540 square metres. These investment properties are situated within the same block of buildings which houses the Group's head office.

ii. Global Properties Limited

A plot of land having an area of approximately 5,000 square metres situated in Sumartin, Croatia.

iii. Quadrant Srl

A baronial castle situated in Collalto - Sabino in the Province of Rieti in the Region of Lazio, Italy. The property comprises a medieval castle with six private suites and nine bathrooms, landscaped green areas including a tennis court and swimming pool, collectively measuring approximately 8,600 square metres. The property includes other amenities and green areas measuring approximately 1,804 square metres and surrounding land measuring approximately 10,300 square metres. The entire property, therefore, has an approximate total area of 20,893 square metres.

7.2.2 Non-current assets held for sale

The Group's non-current assets held for sale as at 30 June 2015 comprise immovable property held by CLD amounting to €950,000 as follows:

- A vacant site having an overall frontage of around 24.5 metres and a depth that varies between 20 and 28 metres with an approximate area of around 570 square metres (excluding the ground floor which has an approximate area of 385 square metres) situated in Testaferrata Street Ta' Xbiex, Malta. CLD has entered into a conditional promise of sale agreement with a third party for the sale of this property by no later than 31 March 2016.
- A building occupying a rectangular site having a frontage of around 4.3 metres and a depth of around 21.3 metres with an approximate area of around 92 square metres located in Testaferrata Street Ta' Xbiex, Malta. CLD has currently entered into a conditional promise of sale agreement with a third party for the sale of this property by no later than 31 March 2016.

8 OPERATING AND FINANCIAL REVIEW

The financial information of the Issuer is included in the consolidated annual report and audited financial statements for each of the financial years ended 31 December 2012, 2013 and 2014 and in the unaudited consolidated interim financial statements of the Group for the period ended 30 June 2015. The said statements have been published and are available at the Issuer's registered office.

8.1 SELECTED FINANCIAL INFORMATION

The following information is extracted from the statement of comprehensive income and the technical account – long term business of insurance in the Company's consolidated annual report and audited financial statements for the financial year ended 31 December 2014 and the unaudited consolidated interim financial statements of the Group for the six-month periods ended 30 June 2014 and 2015.

	FY 2012	FY 2013	FY 2014	Jan-Jun 2014	Jan-Jun 2015
	€'000s	*€'000s*	*€'000s*	*€'000s*	*€'000s*
Commission and fees receivable	3,165	2,932	2,724	1,332	1,358
Commission payable and direct marketing costs	(177)	(172)	(145)	(70)	(88)
Balance on long term business insurance technical account	(1,040)	(1,063)	1,317	248	416
Increment / (Decline) in value of in-force business	626	735	611	178	535
Administrative expenses	(3,208)	(3,256)	(3,079)	(2,034)	(1,281)
Net investment (charges)/ return net of allocation to the insurance technical account	(1,040)	(3,001)	(341)	(644)	198
Impairment of goodwill	(108)	–	–	–	–
Other (provisions) / operating income	(446)	(358)	(276)	23	38
(Loss)/Profit before tax	**(2,228)**	**(4,183)**	**811**	**(967)**	**1,176**
Tax (expense) / income	(179)	522	(588)	(62)	(701)
(Loss)/Profit for the financial year	**(2,407)**	**(3,661)**	**223**	**(1,029)**	**475**
Earnings per share	*(0.18)*	*(0.28)*	*0.02*	*(0.08)*	*0.04*

The following information is extracted from the statement of financial position in the Company's consolidated annual report and audited financial statements as at 31 December 2012, 2013 and 2014 and the unaudited consolidated interim financial statements of the Group as at 30 June 2014 and 2015.

	FY 2012	FY 2013	FY 2014	30 June 2014	30 June 2015
	€'000s	*€'000s*	*€'000s*	*€'000s*	*€'000s*
Investments	49,658	48,329	51,937	51,105	52,276
Investment property	23,833	20,320	20,395	20,361	19,491
Total assets	**91,707**	**90,582**	**89,496**	**89,127**	**92,218**
Technical provisions	61,974	65,349	66,065	65,333	68,250
Interest bearing borrowings	17,186	16,888	14,028	16,491	13,823
Total Liabilities	**85,257**	**87,503**	**86,334**	**87,163**	**88,569**
Share capital	3,846	3,846	3,846	3,846	3,846
Total equity	**6,450**	**3,079**	**3,163**	**1,964**	**3,649**
Net Asset value per share	*0.49*	*0.23*	*0.24*	*0.24*	*0.28*

8.1.1 Annual Results 2012 - 2014

The Issuer registered a loss after taxation for the year ended 31 December 2012 of €2,406,685 (2011: loss of €4,193,670). The improvement in operational performance was due to better quality revenues, reduced operating costs and more favourable financial markets. However, certain investment holdings underperformed the market and the results were also impacted by non-recurring provisions. The Group registered net unrealised fair value gains on its investment portfolio of €285,079 compared to net unrealised fair value losses of €780,893 in the prior year. The Group also registered impairment charges on its property holdings of €352,680 (2011: €736,070). The 2012 reported loss is also inclusive of other non-cash items, including goodwill impairment and depreciation and amortisation charges, totalling €602,483 (2011: €703,268). The life insurance business registered sustained growth in new regular premium, the mainstay line of long-term business of GCLI. Overall life insurance premium income was lower than in 2011 due to reduced levels of single premium business. The health insurance income grew by 10% over the prior year in a very competitive market while revenues from other lines of business were flat. During the period the Group achieved operational cost savings of some €0.8 million. Within the Group's core segments of activity, GCLI registered a loss for 2012 of €276,272 (2011: loss of €1,146,135), with the bottom line being impacted by new business strain as GCLI continued to build its life portfolio. The net increment in the value of in-force business in 2012 was €626,154 (2011: €15,385). During the same period the Group's investment and advisory services segment registered a profit of €90,596 (2011: loss of €449,981) while the Group's agency and brokerage segment generated a combined profit of €735,199 (2011: €320,494).

In the financial year ended 31 December 2013, the Issuer registered a loss for the year, before impairment charges and fair value movements on investment properties, of €679,378 (2012: loss of €1,365,200). During this period the Group registered an improvement in operational performance which was driven, primarily, by a reduction in operating costs and favourable financial markets. The Group also achieved additional operational cost savings of €500,000 (2012: €800,000). The Group registered net unrealised fair value gains on its investment portfolio of €1,210,507 (2012: €285,079). In 2013 GCLI's life insurance business continued registering growth in unit linked business whilst retaining a level of periodic premium comparable to the previous year. Overall life insurance premium income was marginally lower than in 2012 due to a decrease in the single premium business. GCLI registered a loss for 2013 of €505,614 (2012: loss of €662,261). GCLI's bottom line continued to be impacted by new business strain as it continued to build up its life portfolio. GCLI's net increment in the value of in-force business was €735,186 (2012: €626,154), an increase of €109,032, which was the net contribution of new profitable business and the reduction in the operational cost base of running the business. During the same period GCHIA registered a 4% decrease in its health insurance agency income over the previous year due to increased competition and price sensitivity in the market. The Group's agency and brokerage segment generated a combined profit of €999,736 (2012: €735,199). During this period GCIB divested of its insurance brokerage activity in keeping with the Company's strategy to focus on the Group's core life and health insurance businesses. Overall the results for 2013 were negatively impacted by fair value movements on the Group's property portfolio of €3,174,376 (2012: €352,680) resulting in a total loss for the year after taxation of €3,661,194 (2012: loss of €2,406,685).

During the financial year ending 31 December 2014, the Issuer registered a profit after taxation of €222,671 (2013: loss of €3,661,194). The turnaround in the Group's operational performance was the result of the execution of an aggressive transformation strategy that started to take material effect in early June 2014. This included the generation of a sustainable level of revenue growth together with a reduction in overall operational costs to ensure long-term financial stability and profitability. The transformation helped improve the results of all the regulated businesses forming part of the Group. GCLI's life insurance business registered significant growth in both the interest sensitive and unit linked business, while retaining the prior year's levels of conventional business. The continued efforts to enhance the profitable product suite offered by GCLI facilitated improved competitiveness and marketability, generating positive results. During this period GCLI reported profits after taxation of €2,047,024 (2013: loss of €505,614). The increment in the value of in-force business for the year under review amounted to €610,968 (2013: €735,186), this being the contribution of the new business volumes generated by GCLI. GCHIA's profit after taxation for 2014 amounted to €581,329 (2013: €930,974). The reduction in profitability in 2014 was the result of an increase in the tax charge between the two financial years totalling €139,098 coupled with the increase in the level of claims and reduction in premiums which adversely impacted the profit commission recognised by GCHIA. During the same period GCFM reported a loss for the year of €464,218 (2013: loss of €1,110,700). GCFM's revenue year on year improved by 14% which was in part offset by an increase in costs, mostly one-offs incurred to reduce the operational cost base going forward. Moreover, GCFM recognised an increase in other provisions and no impairment of intercompany receivables. The Group's property portfolio registered substantially smaller impairments in 2014 amounting to €323,090 (2013: €3,174,376) arising on properties that were sold after year end and which adversely impacted profitability for 2014.

8.1.2 Interim Financial Performance 2015

The Issuer registered a profit before taxation of €1,176,197 for the first six months of 2015 compared to a loss of €966,897 for the same period in 2014.

GCLI registered a profit before taxation of €1,000,961 compared to a profit of €651,624 for the same period in 2014. The improved results are reflective of the increase in premium income between the two reporting periods, the cost cutting measures implemented in the latter part of 2014 which are fully manifested in the 2015 interim financials and fair value gains which in part were offset by the investment write-down of the equity value of GCLI's investment in Bramer Banking Corporation Limited following the revocation of the latter's banking licence by the Financial Services Commission in Mauritius. The net impairment amounted to €940,976.

GCFM registered marginal growth in revenue compared to the first six months of 2014. This coupled with the significant reduction in its cost base resulted in GCFM returning to profit territory with a profit before taxation of €128,760 compared to the loss reported for the period ended 30 June 2014 amounting to €460,969.

Revenues from GCHIA also registered marginal growth. The profit before taxation for the first six months of 2015 remained consistent with the prior period's profit totalling €477,777 compared to €476,117.

The Group's rental property portfolio experienced an increase in revenue which is the net result of full occupancy and higher rental rates.

The financial statements of the Group for the periods referred to in this section 8.1.2 and in section 8.1.1 above have been prepared on a going concern basis.

As at the date of this Prospectus the Group does not have sufficient working capital available to it for its present requirements, that is, for at least the next 12 months from the date of this Prospectus, as set out in section 3.2.11 above and as further detailed in section 5 of the Securities Note.

9 CAPITAL RESOURCES

9.1 OVERVIEW

The Group's cashflows are generated primarily through the activities of its Subsidiaries which operate predominantly in the insurance sector and also in the investment services sector.

These operations generate cash flow as a result of the receipt of premiums in advance of the time when claim payments are required. Operating cash flow, together with other available sources of liquidity (including investment returns), have historically enabled the Group to meet its short-term liquidity requirements.

9.2 CAPTIAL RESOURCES AND LIQUIDITY

The Issuer finances its operations through a mixture of debt and equity as outlined in the table hereunder:

	FY 2012	FY 2013	FY 2014	30 June 2015
	€'000s	*€'000s*	*€'000s*	*€'000s*
Interest bearing debt	**17,186**	**16,888**	**14,028**	**13,823**
Share capital and reserves	23,135	23,902	24,160	24,519
Profit and loss account	(16,684)	(20,823)	(20,998)	(20,870)
Shareholders' equity	**6,450**	**3,079**	**3,163**	**3,649**
Total capital [1]	**23,636**	**19,967**	**17,190**	**17,482**
Debt-to-capital	*72.7%*	*84.6%*	*81.6%*	*79.1%*
Debt-to-equity	*2.7x*	*5.5x*	*4.4x*	*3.8x*

[1] Total capital represents interest bearing debt and shareholders' equity.

Interest bearing debt consists of the Bonds due for redemption by not later than 02 June 2016. The Group debt-to-capital ratio increased to 84.6% in 2013 from 72.7% in 2012 as a result of losses reported in 2013 and decreased to 81.6% in 2014 as a result of the profits generated and the repurchase by the Group of €2.4 million of its own Bonds. In June 2015 the debt-to-capital ratio decreased further to 79.1%.

	FY 2012	FY 2013	FY 2014	Jan-Jun 2015
	€'000s	*€'000s*	*€'000s*	*€'000s*
Earnings before interest and tax (A) [2]	(1,276)	(3,249)	1,710	1,561
Interest on interest bearing borrowings (B)	952	934	898	384
Interest cover (A÷B)	*(1.3x)*	*(3.5x)*	*1.9x*	*4.1x*

[2] The figure was derived from earnings before tax as reported in the Issuer's consolidated and audited financial statements plus the interest expense on the bond as shown in the table above.

The table above presents a calculation of interest cover showing the ability of the Issuer to cover interest obligations (arising from the Bonds) from available earnings before payment of interest and tax.

Following the return to profitability in 2014, the Group reported an interest cover of 1.9x.

9.3 CASH INFLOWS AND OUTFLOWS

The principal cash inflows and outflows of the Group are summarised in the table below:

	FY 2012	FY 2013	FY 2014	Jan-Jun 2015
	€'000s	*€'000s*	*€'000s*	*€'000s*
Net cash (used in)/generated from operating activities	(1,118)	1,593	(586)	444
Net cash (used in)/generated from investing activities	1,951	2,150	(1,600)	2,772
Net cash (used in)/generated from financing activities	(1,523)	(375)	(2,387)	(276)
Movement in cash and cash equivalents	**(690)**	**3,368**	**(4,572)**	**2,940**
Cash and cash equivalents at the beginning of the year	4,465	3,775	7,143	2,571
Cash and cash equivalents at the end of the year	**3,775**	**7,143**	**2,571**	**5,511**

Fair value movements on investments and movements on technical provisions form a significant portion of the Group's operating results. Fair value movements on investments are converted into cash on disposal. Gains or losses on disposal of investments are reflected in the statement of cash flows under investing activities. Furthermore, movements in technical provisions do not impact the Group cash flows. Accordingly, operating cash flows may vary significantly from operating profits depending on the extent of fair value movements on investments and movements in technical provisions.

During 2014, the net cash outflow from investment in financial assets less proceeds from disposals amounted to €0.9 million compared to a net inflow of €2.7 million in 2013 and €1.4 million in 2012. Furthermore, in 2014 the Group repurchased €2.4 million of its own debt securities further depleting Group cash resources.

9.4 FUNDING AND TREASURY POLICIES

Further information on the Group's funding and treasury policies is provided in note 2 "*Management of insurance and financial risk*" and note 16 "*Other investments*" of the audited financial statements of the Issuer for the financial year ended 31 December 2014.

9.5 LIQUIDITY REQUIREMENTS AND USE OF PROCEEDS

The Issuer foresees a liquidity shortfall in 2016 as a result of the redemption of the Bonds which are due for redemption by not later than 2 June 2016. Accordingly, the Issuer is seeking to raise funding of €15 million, in the aggregate, in order to finance the repayment of the Bonds together with an amount of approximately €0.8 million equivalent to the payment of one year's interest on the Bonds which also falls due on 2 June 2016. Any remaining proceeds following the repayment of the Bonds and the payment of accrued interest will provide additional working capital to finance the Group's growth strategy.

The Board is of the view, having made due and careful enquiry and assuming receipt of the net proceeds of the Rights Issue together with additional funding of €10 million, that the working capital available to the Company will be sufficient for its present requirements, that is, for at least twelve months from the date of the Prospectus.

9.6 REGULATORY CAPITAL REQUIREMENTS

Under Solvency II which came into force on 1 January 2016, GCLI is required to meet a minimum capital requirement and a solvency capital requirement. Based on GCLI's unaudited balance sheet as at 31 December 2015 GCLI was compliant with its minimum capital requirement and solvency capital requirement under Solvency II as of 1 January 2016. The Issuer has determined that in view of the Group's activities and revenues the Issuer constitutes a mixed activity insurance holding company and is therefore not required to meet a group minimum capital requirement and a group solvency capital requirement under Solvency II.

The risks relating to Solvency II are further set out in section 3.2.2 '*Regulatory Matters*' of the Registration Document.

10 FORECAST AND TREND INFORMATION

10.1 FORECAST FOR THE CURRENT FINANCIAL YEAR

As at the date of this Registration Document, the Group had not published any forecast or projected financial information.

10.2 GROUP STRATEGY AND TREND INFORMATION

10.2.1 Trend Information

i. Trends in Group performance

Since the publication of its unaudited interim financial report for the period from 1 January to 30 June 2015, no material events or transactions have taken place that would have an impact on the financial position of the Company, such that would require specific mention, disclosure or announcement pursuant to the applicable Listing Rules. Furthermore, the Issuer is not aware of any trends or uncertainties that are likely to affect the Group's prospects for the current financial year, except for the working capital deficiency referred to in section 8.1.2 above..

The Issuer's strategy (described in section 8.1.1 and 10.2.2) which is aimed at generating revenue growth, reducing operational costs and ensuring long-term financial stability is generating the desired results for the Group and this has allowed its positive financial performance to continue throughout the first half of 2015.

GCLI's life insurance business registered growth during the first nine months of 2015 when compared to the business registered during the same reporting period in 2014. New policies written continued to increase by 28% in 2013, 44% in 2014 and 16% in 2015 showing that GCLI has registered sustained growth over the past three years. Total number of active policies increased by 4% in 2015 following a decline by 2% in 2013 and no change in 2014. During 2015 GCHIA's results remained in positive territory, with both revenues and costs in line with the previous year. GCFM registered a decrease in its fee income, the impact of which was more than offset by the reduction in GCFM's cost base. Further action has been taken during 2015 in relation to the divestment of the Group's local property portfolio. In due course this will further reduce the overall property exposure to bring it in line with the Board's target.

ii. Trends in the insurance industry

According to the MIA Report, insurance penetration in Malta, and hence the level of development of the Maltese insurance sector, grew by 5.09% in 2014 compared to growth of 4.59% in the previous year and as compared to the 2013 EU average growth of 7.68%. Furthermore, insurance premium per capita in Malta grew from €783 in 2013 to €910 in 2014. In 2013, the EU average stood at €1,883 per capita.

In 2014 an average of €346 per capita was spent in Malta on non-life insurance business compared to €326 in 2013. The insurance density in long-term insurance business increased in 2014 during which period an average of €563 per capita was spent compared to the 2013 average of €458.

2014 witnessed an increase of 16.92% in total insurance premiums, with premiums reaching €385.8 million compared to €330 million generated in 2013. The latter figure reflected, in turn, an increase of 8.41% on 2012 figures, which stood at €304.4 million.

The increase in total insurance premium witnessed in 2014 was principally owed to a substantial growth in life insurance by 23.97%. Following the decrease of 18.9% over 2011 figures in 2012, life insurance recovered and increased by 13.53% in 2013.

Moreover, health insurance increased by 6.13% in 2014, following an increase of 3.96% in 2013.

iii. Trends in the life insurance industry

According to the MIA Report in the domestic market life insurance business is carried out by five local insurance companies, with demand for life insurance products having gradually increased from a premium of €75 million in 2001 to €228 million in 2007.

In the wake of the financial crisis, a 20.5% drop in growth brought premium down to a low of €181 million in 2008. Notwithstanding this, business gradually started to recover since 2009, with premiums growing from €193 million in 2009 to €224 million in 2010.

In 2011, premium decreased to €209 million and declined further to €169.8 million in 2012. Nevertheless, there was an increase in life insurance premium once again in 2013 to €193 million and further in 2014 to €238.98 million. In terms of market share, life premium for 2014 grew substantially by 23.97% in comparison with the previous year, representing 61.94% of the total life and non-life premium.

There was an increase of 8.4% over 2013 in the number of single premium policies in 2014, after experiencing a drop of 1.8% in the preceding year. The amount of periodic premium polices experienced a 1.5% decrease in 2013 but rose significantly in 2014 by 68.3%.

In 2013, benefits paid under life policies grew by 12.5% from €139.8 million in 2013 to €157.3 million in 2014. In 2014, the proportion of policy surrenders dropped by 42.3% of all benefits. In 2013, policy surrenders had represented 46.8% of all benefits. Maturity payments, which represented 48.7% of all benefits, amounted to €76.6 million in 2014 when compared with €59.8 million in 2013. In 2014 a slight decrease in death benefits was experienced, from €14.6 million in 2013 to €14.1 million in 2014. In 2014, the proportion of death benefits stood at 9% of all benefits paid out.

In 2013, 79% of the distribution channels used by insurance undertakings were financial institutions, whereas 17% were other insurance intermediaries, 3% were brokers and direct sales represented a mere 1%.

iv. Trends in the health insurance industry

With reference to the MIA Report, the gross written premium in the private health insurance sector reached €22.1 million in 2013 compared to €21.3 million in 2012, and €20.6 million in 2011.

Claims incurred in 2014 amounted to €14.8 million, compared to €12.8 million in the previous year. The loss ratio in 2014 increased to 64.55% from 58.8% in 2013.

There was an increase in the number of individuals covered by private health insurance, from 91,156 in 2012 to 97,491 in 2013. The number of lives insured under individual contracts in 2013 stood at 12,847, whereas 84,644 lives were insured under group policies.

The proportion of this class to total non-life written gross premiums decreased to 15.95% in 2014 when compared to 16.08% in 2013.

10.2.2 Business Strategy

In June 2014 the Group embarked on the implementation of a transformation strategy aimed at generating revenue growth, reducing operational costs and ensuring long-term financial stability. This transformation strategy, which has already resulted in a significant impact on the Issuer's financial results in 2014 and 2015 is based on the following key objectives:

i. Strengthen operational efficiency

- *Investment in IT systems* – Back in 2012 the Group invested in a new operational IT system (approximately €1.8 million). The purpose of this investment was to automate various process and procedures, provide management with the ability to monitor performance of policies, allow Tied Insurance Intermediaries to better manage their workflow and monitor their key performance indicators. Furthermore, the system is intended to act as a platform for brokers through which they will be able to access and manage their accounts directly. The system was launched on 1 January 2016.
- *Process re-engineering* – during 2014 and 2015 the Group's management team carried out a comprehensive review of the business processes across all departments. The aim of this review was to identify and eliminate processes which are duplicated or do not add value. The initiative resulted in reduction in resources, more efficient operations and improved performance in back office functions. In 2015, the Group's management team set up a Project Management and Business Process Improvement function in order to maintain the focus on continuous business process improvement.

ii. Enhance the business model

- *Product rationalisation* – during 2014 and 2015, the Group's management team revisited its product mix with the aim of discontinuing or decreasing less profitable products and introducing more attractive, innovative and capital efficient solutions. During the same period the Group registered improved performance in the life company with particular increase in unit-linked and other protection products. The Group's management team will remain focused on delivering flexible solutions to clients in order to sustain the growth from recent years and therefore increase local market share.
- *Entering new markets outside Malta* – the Group's management team intends to make use of the right to passport its products in other EU jurisdictions which will bring further growth opportunities and diversify the dependence on the Maltese market.
- *Effective management of the life fund* – the Group's management team intends to appoint an asset manager whose responsibility would also include the handling of the life fund. The objective is to implement the investment strategy of the company and evaluate the investment mix to ensure an appropriate matching between the assets and liabilities of the company.

iii. Revive the asset management business

- The Issuer is seeking to re-dimension the Group's investment advisory business by offering asset management services and developing new investment products. It is envisaged that new services will be provided in relation to discretionary portfolio management and unit-linked products issued by GCLI, thereby leveraging the relationship between the Group's investment services and life insurance business units. The Issuer has already carried out a study of the investment services business and identified both the operational and capital gaps. The Issuer is now in the process of evaluating candidates with a view to recruiting and thus enhancing the current operational structure. Thereafter, it is the intention to focus on the investment services capital needs including the IT platform and infrastructure.
- It is anticipated that in due course the Group will also seek to offer its investment services overseas with the primary focus being the Italian and potentially other European markets where the Group can avail itself of EU passporting rights to establish itself or provide services on a cross-border basis.

iv. Strengthen the Group's brand and reputation

- Traditionally, the Issuer has been perceived as an investment services company, however, today the Group is a mixed activity organisation which provides various financial services including life insurance, agency services and investment products. The Group's management team has taken steps to reposition the brand of the issuer on the local market by participating in various trade shows and launching various campaigns (such as the Life Insurance Awareness Month campaign) which increase awareness of the Group's objectives and mission.
- Furthermore, the Group's management team has put significant effort in raising awareness and improving the image of the Group through social media websites.

v. Invest in human capital

- During 2014 and 2015 the number of employees across the Group decreased as a result of the rationalisation and streamlining of business processes. The Group's management team revised the existing structures and put in place new hierarchy and a new compensation scheme which was linked more closely to the objectives of the Company. As much as possible, employees which resigned or were made redundant during that period were not replaced and their responsibilities were allocated to existing personnel. This effort resulted in staff being more motivated and staff turnover decreased significantly. The Group's management team is now increasingly focusing on continuous training and development and retention of staff.
- The cost cutting strategy from a human resources perspective was substantially complete by the end of 2015. With the new structures in place, the Group's management team decided to bring key functions such as risk management and internal audit in-house rather than keep on outsourcing to third parties. In this respect, management is in the process of hiring new employees to staff these departments.
- The decision to revive the asset management arm of the Group resulted in new individuals being recruited. The Asset management line of the business will be further enhanced by the addition of the risk management and compliance functions.

vi. Provide customers with security and peace of mind in both their insurance and investment needs

- As noted above, the Group's management team has put a lot of emphasis on risk management and compliance and is currently transferring these functions in-house.
- During 2014 and 2015 management implemented a Business Continuity Plan which aimed to ensure that the Issuer is prepared to take necessary measures to safeguard the interests of all stakeholders in the event of a disruption due to unforeseen circumstances.

While retaining its primary focus on its existing insurance business, the Issuer's growth strategy for the future includes a renewed focus on asset management and unit-linked life insurance business. The Group will continue its efforts to divest itself of its portfolio of investment properties and focus on these areas.

The Issuer is confident of the Group's prospects to continue increasing profits whilst capitalising on the opportunities that present themselves across a range of its operations.

11 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

11.1 GENERAL

The Directors are appointed by election at the annual general meeting of the Issuer. In accordance with the Issuer's articles of association ("**Articles**"), a Shareholder holding 14% or more of the voting rights, or a number of Shareholders who between them hold 14% or more, of the issued share capital of the Issuer are entitled to appoint one Director for every such 14% holding by letter addressed to the Issuer. All shares not utilised to make appointments as aforesaid are entitled to vote in the election of Directors at the annual general meeting of the Issuer.

The Chairman of the Board of Directors, is, in terms of the Articles of the Issuer, appointed from amongst the appointed Directors by any Shareholder holding in the aggregate at least 40% of all voting rights of the Issuer. In the absence of any Shareholder having the required holding of voting rights, the Chairman will be appointed by the Board of Directors.

The Directors are responsible for the general governance of the Issuer, its proper administration and management and for the general supervision of its affairs. The day-to-day management of the Issuer is delegated by the Directors to an executive committee (the "**Executive Committee**") consisting of the Issuer's senior executives.

A list of all current and past directorships of Board members and Group executive management is set out in Annex C of this Prospectus.

11.2 BOARD OF DIRECTORS

11.2.1 The Board

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

Name	Designation	Date of Appointment
Prof. Paolo Catalfamo	Non-Executive Director and Chairman	16.09.2015
Prof. Andrea Gemma	Non-Executive Director	16.09.2015
Dr. Joseph Del Raso	Non-Executive Director	16.09.2015
Mr. Reuben Zammit	Executive Director	16.09.2015
Mr. Joseph Schembri	Non-Executive Director	16.09.2015
Mr. Christopher J. Pace	Non-Executive Director	16.09.2015

The current term of office of the Directors listed above has commenced on 16 September 2015 and shall end at the closure of the next AGM in accordance with the provisions of the Articles of the Issuer.

11.2.2 Curriculum Vitae of the Directors

Prof. Paolo Catalfamo

Prof. Catalfamo is the founder and chairman of the merchant banking group 'Investar', based in Italy, US and India and Professor at the Villanova School of Business in Philadelphia. He serves as managing director of IKF Spa, a holding company listed on the Italian Stock Exchange, as managing director and CEO of Milliora Finanzia Spa, a corporate lending company regulated by the Banca d'Italia, as managing director of Investar Plc, a financial services group in Malta and as an advisor to Equinox Partners, a private equity fund in Luxembourg. He was deputy chairman and CEO of the investment management group Franklin Templeton in Italy. Prof. Catalfamo serves as chairman of the Company and sits on the Investment, the Remuneration, the Nominations and the Risk Committees of the Board of Directors of the Company.

Prof. Andrea Gemma

Prof. Gemma was admitted to the Supreme Court of Italy and is partner of the legal and tax consultancy firm Gemma & Partners. He is a member of the Arbitro Bancario Finanziario (ABF) appointed by Banca d'Italia. Prof. Gemma is director of Eni S.p.A. He is also a member of the Board of Cinecitta' Centro Commercial SRL (Rome), deputy chairman of the Board of Serenissima SGR S.p.A (Verona), chairman of the Board of Directors of Immobiliare Strasburgo S.r.L, member of the Board of Vega Management S.p.A. (Torino), an extraordinary commissioner of Valtur S.p.A., an extraordinary commissioner of Novit Assicurazioni S.p.A. and Sequoia Partecipazioni S.p.A., an extraordinary commissioner of Suditalia Compagnia di Assicurazioni and Riassicurazione S.p.A., President of the Supervisory Body of Sorgente S.p.A. and Extraordinary Commissioner of Alpi Assicurazioni S.p.A. Prof. Gemma also serves as legal counsel to leading insurance companies (Società Cattolica di Ass.ne coop. a r.l., Carige Assicurazioni S.p.A., Faro Ass.ni in A.S.). Prof. Gemma sits on the Audit, the Risk and the Ethics Committees of the Board of Directors of the Company.

Dr. Joseph Del Raso

Dr. Del Raso is a partner in the Commercial Department of Pepper Hamilton LLP. He is experienced in assisting businesses with a variety of international and domestic transactions, and advises on government relations on the federal, state and international level. Dr. Del Raso leads the firm's Investment Management Practice Group and is co-chair of the firm's Italian Desk and a practice leader for mutual funds of the firm's Funds Services Practice Group. He is a past member of Pepper Hamilton's Executive Committee and currently serves as a director of Freeh Group International Solutions, a Pepper Hamilton subsidiary. Dr. Del Raso sits on the Audit, the Nominations and the Ethics Committees of the Board of Directors of the Company.

Mr. Reuben Zammit

Mr. Zammit is the chief executive officer of the Group. Prior to his current role as chief executive officer, Mr Zammit was the chief financial officer of the Group. Mr. Zammit sits on the Investment and the Risk Committees of the Board of Directors of the Company.

Mr. Joseph Schembri

Mr. Schembri is a consultant with Baker Tilly Sant. Mr Schembri is a certified public accountant and auditor. He was an audit partner of Joseph Tabone & Co and Senior Partner of KPMG Malta, as well as a board member of the KPMG regional practice specialising in Financial Services. Mr Schembri has also acted for a three year period as director of EneMalta Corporation and as a member on the Disciplinary Committee of the Accountancy Board and the Malta Institute of Accountants. Mr Schembri was actively involved in the setting up of a KPMG member firm in Libya, acting as risk management principal as well as audit principal for foreign owned oil and gas clients operating in Libya. Mr. Schembri sits on the Audit and the Remuneration Committees of the Board of Directors of the Company.

Mr. Christopher J. Pace

Mr. Pace is the Managing Director of the Malta office of Chesterton, an international real estate agency. Mr Pace founded Globe Financial Investments Limited, the Issuer's predecessor in 1987. He was a founder member of the Malta Stock Exchange which commenced trading operations in 1992. He served as director of the Company until 2011 and was re-appointed director in 2015. Mr Pace also served as chairman of the Company since its inception until 2008. Mr. Pace sits on the Nominations Committee of the Board of Directors of the Company.

11.3 GROUP EXECUTIVE MANAGEMENT

The Executive Committee is vested with responsibility for the Group's day-to-day business and the implementation of the strategy set out by the Directors. The members of the Executive Committee are employed on an indefinite basis with the Company. The Executive Committee is chaired by the Group's CEO and is composed of the executive heads of the Group as follows:

Name	Designation
Mr. Reuben Zammit	Chief Executive Officer
Mr. Shawn Bezzina	Group Financial Controller
Mr. Paul Said	Group Operations Manager

The business address of the members of the Executive Committee is that of the Issuer.

11.3.1 Curriculum Vitae of the Executive Management Team

Mr. Paul Said

Mr. Said is the Group Operations Manager. Having more than ten years of industry experience, particularly in financial services, Mr. Said previously held the role of Group IT Manager and Group IT Project Manager. Prior to this, Mr. Said was a software developer for GO plc.

Mr. Shawn Bezzina

Mr. Bezzina is the Group Financial Controller. Mr Bezzina is a certified public accountant and auditor. Previously Mr. Bezzina was the Financial Controller and Fund Accountant of the Group. Prior to his employment with the Company, Mr. Bezzina was the financial controller of Citadel Insurance plc as well as the coordinator direct operating costs of Air Malta plc.

11.4 INTERESTS OF DIRECTORS AND EXECUTIVE MANAGEMENT

The number of shares in the Issuer held directly in the name of the current Directors as at the date of this Registration Document is as follows:

Prof. Paolo Catalfamo*	Nil
Prof. Andrea Gemma	Nil
Dr. Joseph Del Raso	Nil
Mr. Reuben Zammit	Nil
Mr. Joseph Schembri	Nil
Mr. Christopher J. Pace	2,013,032

In view of the above roles and position, the above-mentioned Directors may be subject to conflicts of potentially diverging interests between the Shareholders they are associated with and their position as Directors of the Issuer. Save as set out in section 17.2.2 of this Registration Document no Shareholder is entitled to any automatic right to nominate or appoint a director on the Board.

Aside from the direct interests referred to above in the shareholding of the Issuer, the Directors marked above with an * are considered to be associated with companies that hold a beneficial interest in the Issuer's shareholding. The following Directors are considered to be associated with shareholders of the Issuer or with companies that hold a beneficial interest in the Issuer's shareholding:

Prof. Paolo Catalfamo is a director and holds a 100% shareholding interest in Investar, which as at the date of this Registration Document is a Shareholder in the Issuer holding 8.93% of the Ordinary Shares. In view of the above roles and position, the above-mentioned Directors may be subject to conflicts of potentially diverging interests between the Shareholders they are associated with and their position as Directors of the Issuer. Save as set out in section 17.2.2 of this Registration Document no Shareholder is entitled to any automatic right to nominate or appoint a director on the Board.

Investar in which Prof. Paolo Catalfamo has a direct shareholding interest, acquired one million one hundred eight thousand (1,180,000) Ordinary Shares constituting the 8.93% interest in the Issuer referred to above on 5 October 2015.

With the exception of Mr. Christopher J. Pace and Prof. Paolo Catalfamo, none of the Directors and members of executive management, directly or indirectly, traded any Ordinary Shares of the Issuer. In addition, and save as explained hereunder, no material transactions in the Company's Ordinary Shares were effected in which any Director had a beneficial or non-beneficial interest.

The manner in which Directors are appointed is provided in section 17.2.2 hereunder.

Other than the above private interests and conflicts of interest, the Issuer is not aware of any other facts and circumstances which may give rise to conflicts of interest or potential conflicts of interest.

11.5 REMUNERATION OF DIRECTORS AND EXECUTIVE MANAGEMENT

In accordance with the Company's M&As, the total emoluments payable to Directors, whether as fees and/or salaries by virtue of holding employment with the Company, shall be subject to Shareholder approval in General Meetings. For the 2014 financial year the maximum aggregate emoluments of the Directors was €320,930. At the Annual General Meeting held on 16 September 2015 the Shareholders approved the annual aggregate emoluments of the Directors up to a maximum of €310,000.

Executive management remuneration packages consist of basic salary and benefits. The total amount of remuneration paid to the executive management personnel in the last financial year ended 31 December 2014 amounted to €177,085.64.

There are no arrangements in place for the payment of any pension or retirement benefit to any Directors or to the members of the executive management team. None of such persons have a contract of service or employment with the Issuer which provide for benefits upon termination.

11.6 EMPLOYEES

The average number of persons employed by the Group during the years 2012, 2013, 2014 and as at 30 June 2015 are as follows, divided by main category of activity:

Managerial and Supervisory

Number of Employees	FY2012	FY2013	FY2014	30 June 2015
Issuer	1	1	0	0
GCFM	5	4	4	2
GCLI	7	4	4	5
GCHIA	5	4	4	6
Total	**18**	**13**	**12**	**13**

Sales

Number of Employees	FY2012	FY2013	FY2014	30 June 2015
Issuer	0	0	0	0
GCFM	4	4	4	3
GCLI	1	0	0	0
GCHIA	0	1	0	0
Total	**5**	**5**	**4**	**3**

Administration

Number of Employees	FY2012	FY2013	FY2014	30 June 2015
Issuer	0	0	0	0
GCFM	13	14	12	8
GCLI	16	18	15	14
GCHIA	32	24	24	19
Total	**61**	**56**	**51**	**41**

11.7 DECLARATION

On 26 October 2009 the MFSA imposed an administrative penalty amounting to €44,100 on Christopher J. Pace in terms of article 22 of the Prevention of Financial Markets Abuse Act, Cap.476 of the laws of Malta (the "**PFMA**"). The MFSA decided that Mr. Pace breached article 6 of the PFMA by having traded in the Issuer's shares in the period between the 14 and 27 December 2007 when in possession of inside information. Mr. Pace has submitted an appeal before the Financial Services Tribunal against the MFSA's decision. This appeal is presently pending before the Financial Services Tribunal.

Save for the above, none of the above-mentioned Directors and members of senior management of the Issuer have:

- been convicted in relation to fraudulent offences in the previous five years;
- been involved in any bankruptcies, receiverships, or liquidations for at least the previous five years;
- been the subject of any official public incrimination or sanction by any statutory or regulatory authority (including designated professional bodies) and neither have they ever been disqualified by a court from acting as a member of the administrative, management or supervisory body in the last five years.

12 BOARD PRACTICES

12.1 CORPORATE GOVERNANCE

The Issuer is in compliance with the Code of Principles of Good Corporate Governance as contained in the Listing Rules.

12.2 BOARD COMMITTEES

The Directors have established the following board committees:

12.2.1 Audit Committee

The Audit Committee is composed entirely of non-executive Directors and assists the Board in monitoring and reviewing the Group's financial statements, accounting policies and internal control mechanisms in accordance with the Committee's terms of reference. The responsibilities of the Audit Committee also include the review and approval of related party transactions in accordance with the Listing Rules.

The Audit Committee also approves and reviews the Group's compliance plan and internal audit plan prior to the commencement of every financial year and monitors the implementation of these plans.

The audit committee is composed of:

- Prof. Andrea Gemma
- Mr. Joseph Schembri
- Dr. Joseph Del Raso

12.2.2 Investment Committee

The Investment Committee is responsible for developing overseeing and developing the investment strategies and policies with respect to investments that may be made by the Company. It is also responsible for the formulation, monitoring, and review of the Group's investment processes.

The Investment Committee is composed of:

- Prof. Paolo Catalfamo
- Mr. Reuben Zammit

12.2.3 Remuneration Committee

The Remuneration Committee monitors, reviews, and advises on the Group's remuneration policy as well as approves the remuneration packages of senior executives and management. The main activities of the Remuneration Committee include devising appropriate policies and remuneration packages to attract, retain, and motivate Directors and senior management of a high calibre in order to well position the Group within the financial services market and its areas of business. At the end of every financial year, the Remuneration Committee draws up a report which is included in the Group's Annual Report. A performance management system has been implemented across the Group. This system is intended to:

- Enhance the existing systems used to define key performance indicators; and
- Improve the assessment of performance for all the Group's employees including senior management and members of the Executive Committee.

The Remuneration Committee is composed of:

- Prof. Paolo Catalfamo
- Mr. Joseph Schembri

12.2.4 Nominations Committee

The Nominations Committee is responsible for recommending Directors for election by Shareholders at the AGM, for planning the structure, size, performance, and composition of the Group's Subsidiary boards, for the appointment of senior executives and management and for the development of a succession plan for senior executives and management.

The Nominations Committee is composed of:

- Prof. Paolo Catalfamo
- Dr. Joseph Del Raso
- Mr. Christopher J Pace

12.2.5 Risk Committee

The Risk Committee's function is to oversee policies, practices, procedures, and controls related to risk identification, capital structure, liquidity management, regulatory compliance, and monitoring the annual capital plan.

The Risk Committee is composed of:

- Prof. Paolo Catalfamo
- Mr. Reuben Zammit
- Prof. Andrea Gemma

12.2.6 Ethics Committee

The Ethics Committee reports to each meeting of the Board of Directors on the operation of the Code of Ethics. In addition, it periodically reviews the Code of Ethics and makes recommendations for any amendments thereto to the Board. The Ethics Committee's function is to investigate any suspected breach of the Code of Ethics and report its findings to the Board of Directors with any recommendation that may impinge on the deliberations of the Board of Directors.

The Ethics Committee is composed of:

- Prof. Andrea Gemma
- Dr. Joseph Del Raso

13 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

13.1 INTEREST OF MAJOR SHAREHOLDERS

The following Shareholders hold in excess of five per cent (5%) of the Issuer's Ordinary Shares at the date of this Prospectus:

Name	Number of Shares
BAI Co. (Mtius) Ltd	6,399,092
Christopher J. Pace	2,013,032
Investar p.l.c.	1,180,000
Provident Real Estate Fund Ltd	750,534

With reference to the table above, as at the date of this Prospectus, BAI Co. (Mtius) Ltd holds forty-eight point forty-five per centum (48.45%) of the total issued share capital of the Issuer. The Issuer adopts measures in line with the Code of Principles of Good Corporate Governance to ensure that the relationship with BAI Co. (Mtius) Ltd is retained at arm's length, including adherence to rules on related party transactions requiring the sanction of the Audit Committee, which is constituted of Non-Executive Directors. Moreover, key decisions affecting the Issuer require the sanction of the general meeting by means of an extraordinary resolution as defined in the articles of association of the Issuer. Matters requiring approval by means of an extraordinary resolution include, *inter alia*, the alteration to the Company's M&As (except for the alteration of the office of the Issuer) and the dissolution of the Issuer.

The shares held by the major Shareholders rank '*pari passu*' with all the other Shares in the Issuer.

The shares held by the major Shareholders of the Issuer do not entitle such Shareholders to any different voting rights.

Investar p.l.c. which holds an 8.93% equity interest in the Company has issued a prospectus dated 12 January 2016 (the "**Investar Prospectus**") wherein it has declared that it intends to acquire a majority and controlling interest in the Issuer as a result of its participation in the Rights Issue.

Save for the foregoing declaration made in the Investar Prospectus, the Issuer is not aware of any arrangements the operation of which may at a subsequent date to that of this Prospectus result in a change in control of the Issuer.

13.2 RELATED PARTY TRANSACTIONS

In the normal course of business, the Group enters into various transactions with related parties. Related parties are defined as those that have an ability to control or exercise significant influence over the other party in making financial and operational decisions. These include Directors and Shareholders who hold a substantial amount of votes able to be cast at general meetings.

Relevant particulars of related party transactions for the financial year end 2014, all of which have been carried out on an arm's-length basis are as follows:

	FY2012	FY2013	FY2014
	€	€	€
Commission receivable from related parties	71,341	56,097	70,244
Commission receivable on investments made by related funds	3,070	3,235	2,090
Fees receivable in respect of advice provided to related funds	73,410	66,938	70,055

GCFM acts as investment advisor and manager to Global Funds SICAV p.l.c. The advisory fees earned by GCFM from its activity as investment advisor and manager are included in turnover in the consolidated financial statements of the Company, and during the year 2014 amounted to €70,055 (2013: €66,938 and 2012: €73,410). Global Funds SICAV p.l.c. is considered to be a related party by way of key management.

In 2012, the Group recovered expenses amounting to €183,406 in liquidation costs in relation to GlobalCapital Funds SICAV p.l.c. which had been written off in 2010.

In 2011 CLD entered into an agreement with Boutique Properties Limited a private limited liability company registered in Malta with company registration number C 34858 owned and controlled by Christopher J. Pace, a director of the Company, for the provision of real estate brokerage and related consultancy services. This agreement was terminated in 2014. However, a refund of €50,000, representing a pre-payment of commissions which did not eventually become due, remains owing to CLD as of the date of this Prospectus.

In 2015, GlobalCapital Holdings Limited, CLD, GCLI and GCFM entered into a pledge agreement to secure:

- an outstanding balance of seven hundred and eighty-eight thousand and ten Euro (€788,010) due by CLD to GCLI under the terms and conditions contained in a loan agreement dated as of 31 December 2014 and entered into between CLD as borrower, GlobalCapital Holdings Ltd as guarantor and GCLI as lender;
- an outstanding balance of five million, one hundred and seventy-three thousand, four hundred and eighty-two Euro (€5,173,482) due by Quadrant SRL to the GCLI under the terms and conditions contained in a loan agreement dated as of 31 December 2014 and entered into between Quadrant SRL as borrower, GlobalCapital Holdings Ltd as guarantor and GCLI as lender;
- an outstanding balance of nine hundred fifty thousand and two Euro (€950,002) due by CLD to GCFM under the terms and conditions contained in a loan agreement dated as of 31 December 2014 and entered into between CLD as borrower, GlobalCapital Holdings Ltd as guarantor and GCFM as lender; and
- all existing or future credit facilities granted by or to be made by GCLI and, or GCFM and guaranteed by GlobalCapital Holdings Ltd, and/or any existing, contingent or future indebtedness of GlobalCapital Holdings Ltd to GCLI and, or GCFM, or any of them,

by virtue of a pledge over 499 ordinary shares in CLD held by GlobalCapital Holdings Ltd in favour of GCLI acting as a trustee holding security for the benefit of GCLI and, or GCFM in terms of article 43(7)(a) of the Trusts and Trustees Act, Cap. 331 of the laws of Malta.

14 FINANCIAL INFORMATION

14.1 HISTORICAL FINANCIAL INFORMATION

Full historical financial information for the three financial years ended 31 December 2014 is set out in the consolidated financial statements of the Group as audited by Deloitte. The latest audited financial information available in respect of the Group related to the financial year ended 31 December 2014 and was approved for issuance by the Board of Directors on 07 August 2015.

The independent auditor's reports on the historical financial information of the Issuer for each of the financial years ended 31 December 2012, 31 December 2013 and 31 December 2014 do not contain qualifications and disclaimers. The independent auditor's report on the Issuer's financial statements for the year ended 31 December 2014, however, includes an emphasis of matter, which draws attention to note 1 to the said financial statements, which details the Company's financing plans, in particular those relating to the payment of the Company's Bond obligations. The independent auditor's report on the Issuer's financial statements for the year ended 31 December 2014 is set out in the audited consolidated financial statements of the Company for the financial period ended 31 December 2014 which are available on display as set out in section 19.

The unaudited interim financial information of the Group for the six (6) months ended 30 June 2015 is available for public inspection.

14.2 SIGNIFICANT CHANGE IN THE COMPANY'S FINANCIAL OR TRADING POSITION

There has been no material change in the Group's financial or trading position since the half yearly report for the six months ended 30 June 2015.

14.3 DIVIDEND POLICY

According to articles 103 to 110 of the M&As, the Company may declare dividends in the general meeting, but no dividend may exceed the amount recommended by the Directors. The Directors may from time to time pay to the Shareholders such interim dividends as appear to the Directors to be justified by the profits of the Company and may pay any fixed dividend which is payable on any shares of the Company half-yearly or otherwise on fixed dates as the Board may determine.

The extent of any dividend distribution will depend upon, amongst other factors, the profit for the year, the Directors' view on the prevailing market outlook, any debt servicing requirements, the cash flows for the Issuer, working capital requirements and the requirements of the Act especially with regard to distributable reserves.

As at 31 December 2014 the Company did not have any distributable reserves. No dividend was paid in the financial years 2007 to date. As at 31 December 2014 the Company had accumulated losses of €27,502,395 (Group accumulated losses: €20,997,931). Under the Act a distribution of dividends may only be made out of profits available for the purpose.

15 LITIGATION

Some Group companies are party to legal proceedings and/or regulatory investigations arising out of the historical business activities of certain regulated operating Subsidiaries which could give rise to potential financial loss and significant reputational damage. Provisions for outstanding legal proceedings as at 31 December 2014 totalled €318,542. The recognition of these provisions has been determined in accordance with the accounting policies set out in Note 4 of the Issuer's audited consolidated financial statements for the financial year ended 31 December 2014.

The timing and outcome of legal proceedings and regulatory investigations is inherently uncertain which makes it difficult to determine whether a loss is probable or even reasonably possible. Given the complexity and uncertainties associated with the actual determination of any liability, including the outcome of any appeals, there is a wide range of possible outcomes. The foregoing provisions have been made based on management's best estimate of probable outflows. The Directors anticipate that provisions for outstanding legal proceedings will be increased for the period ended 31 December 2015. However, the fact that a provision has been, or will be, made or recognised does not constitute an admission of wrongdoing or legal liability.

It is not practicable to provide an aggregate estimate of potential liability for judicial letters/protests and other consumer complaints received by certain Group companies, in addition to the legal proceedings referred to above, as a class of contingent liabilities as explained in note 30 of the Issuer's audited consolidated financial statements for the financial year ended 31 December 2014.

16 MATERIAL CONTRACTS

The following Subsidiaries have entered into the following agreements with third parties:

i. GCLI has entered into a promise of sale agreement with a third party for the sale of the property located at The Strand, Gzira, Malta (further described in section 7.2.1 (i) above, for the sale of the said property by no later than 31 December 2016;

ii. CLD has entered into a conditional promise of sale agreement with third parties for the sale of the vacant site situated in Testaferrata Street Ta' Xbiex, Malta (further described in section 7.2.2. above) and the building occupying a rectangular site located in Testaferrata Street Ta' Xbiex, Malta (further described in section 7.2.2. above), for the sale of the said properties by no later than 31 March 2016.

With the exception of the above, the Company has not entered into contracts of a material nature which were not in the ordinary course of the Company's business.

17 ADDITIONAL INFORMATION

17.1 SHARE CAPITAL

The current authorised share capital of the Company is eight million seven hundred and thirty-five thousand one hundred and sixty Euro (€8,735,160) divided into thirty million (30,000,000) ordinary shares of a nominal value of €0.291172 each. The current issued share capital of the Company is three million eight hundred and forty-five thousand six hundred and sixty-eight Euro and seventeen cents (€3,845,668.17) divided into thirteen million two hundred and seven thousand five hundred forty-eight (13,207,548) ordinary shares of a nominal value of €0.291172 each, which are all listed on the Official List of the MSE.

17.2 MEMORANDUM AND ARTICLES OF ASSOCIATION

A copy of the M&As of the Company is available for inspection during the lifetime of this Registration Document at the registered office of the Company and at the Registrar of Companies at the Malta Financial Services Authority. The M&As include, *inter alia*, provisions to the following effect:

17.2.1 Objects

The full list of objects of the Company is set out in clause 3 of the Memorandum. The principal object of the Issuer is to carry on the business of a holding company and to acquire by purchase, exchange, subscription or otherwise, and to hold the whole or any part of the securities and interests of and in any companies for the time being engaged, concerned or interested in any industry, trade or business and to promote the beneficial co-operation of any such companies with one another as well as with the Company and to exercise in respect of such investments and holdings all the rights, powers and privileges of ownership including the right to vote thereon. The other objects of the Company are the following:

i. to employ the funds of the Company in the development and expansion of the business of the Company, of any of its Subsidiaries and of any other company in which this Company has or may at any time have an interest;

ii. to co-ordinate the administration, policies, management, supervision, control, research, development, marketing, planning, manufacture, trading, services and any and all other activities of, and to act as consultants to, any company or companies or group of companies now or hereafter formed or incorporated or acquired which may be or may become related or associated in any way with the Company or with any company related or associated therewith and either without remuneration or on such terms as to remuneration as may be agreed;

iii. to carry on any business carried on by any Subsidiary of the Company or any other company in which the Company has or may at any time have an interest;

iv. to promote or assist in promoting any company or companies in any part of the world and to subscribe shares therein or other securities thereof for the purpose of carrying on any business which the Company is authorised to carry on, or for any other purpose which may seem directly or indirectly calculated to benefit the Company;

v. to carry on any other activity and do anything of any nature which may seem to the Company capable of being conveniently carried on or done by the Company in connection with the above, or may seem to the Company calculated directly or indirectly to benefit the Company; and

vi. to do all such things as in the opinion of the Board are or may be incidental or conducive to the above objects or any of them.

17.2.2 Directors

Any Shareholder holding at least fourteen per centum (14%) of all voting rights of the Company shall have the right to appoint a Director for each and every complete fourteen per centum (14%) thereof. Also, any voting rights, or part thereof, remaining unused by such Shareholder in the appointment of a Director, may be aggregated to form the percentage required to appoint a Director directly. Directors, being not more than such number as would, when taken together with any Director/s appointed as aforesaid, make up a total of seven (7) Directors, shall be elected at the Company's Annual General Meeting by those Shareholders entitled to exercise voting rights to elect Directors at the said Annual General Meeting. The process by which a Director may be appointed/elected on the Board is set out in the Articles available for inspection.

17.2.3 Classes of Shares

The Company only has Ordinary Shares in issue.

17.2.4 Variation of Rights

The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by the terms upon which such shares are for the time being held, be deemed not be varied by the creation or issue of further shares ranking '*pari passu*' therewith.

17.2.5 Voting Rights and Restrictions

Unless otherwise provided for in the Articles or in the terms of issue of any shares, all shares shall enjoy equal rights irrespective of their class.

Unless otherwise provided for in the terms of issue, on a poll, each share in the Company shall have the right to one vote, irrespective of the class of the said share, which right to vote may be exercised by the holder thereof either personally or by proxy.

The Directors shall not, without the prior sanction of an ordinary resolution of the Company in a general meeting, issue or allot equity securities for the purpose of transferring a controlling interest in the Company or where a controlling interest will result from such issue or allotment.

17.2.6 Annual and Other General Meetings

Article 49 to article 72 of the M&As regulate the annual general meetings ("**AGM**") of the Company. The said articles provide that the Company shall in each year hold a general meeting as its AGM in addition to any other Meetings in that year, and not more than fifteen (15) months shall lapse between the date of one AGM of the Company and that of the next. The Annual General Meetings of the Company shall be held at such time and place as the Directors shall appoint. Furthermore, all general meetings other than AGMs shall be called Extraordinary General Meetings ("**EGM**").

The Directors may convene an EGM whenever they think fit. The Directors shall, on the requisition of a Shareholder holding, at the date of deposit of the requisition, not less than one-tenth of such of the paid up share capital of the Company as at the date of the deposit carried the right to vote at general meetings of the Company, forthwith proceed to duly convene an EGM in accordance with the provisions of section 129 of the Act.

The Articles provide that an AGM of the Company shall be deemed not to have been duly convened unless at least twenty-one (21) days' prior notice has been given in the manner specified in the Articles. Notwithstanding, a general meeting which is not an AGM shall be deemed to have been duly convened if at least fourteen (14) days' prior notice has been given in the manner specified in the Articles and the following conditions are satisfied:

i. the facility to vote by electronic means is made accessible to all Members; and

ii. a resolution reducing the period of notice to not less than fourteen (14) days has been duly passed by a majority of not less than two-thirds of the Shareholders having the right to attend and vote and represented at such meeting. Any such resolution shall be valid until the next AGM.

Provided further that in the case of a general meeting duly convened and adjourned in accordance with the M&As due to the lack of a quorum, the adjourned meeting shall be deemed to have been duly convened if held at least ten (10) days after the final convocation is issued and no new item is put on the agenda of such adjourned meeting.

The notice referred to above shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and, shall be sent to every Shareholder entitled to attend and vote at the meeting by pre-paid mail at the last known residential address of such shareholder, or with the consent of the Shareholder concerned, by the publication of such notice on the Company's website or on the website of the MSE, as the Company may determine. Provided that any notice requesting the consent of a shareholder to the publication of notices convening general meetings of the Company on the website indicated in the notice shall be sent by mail to the Shareholder concerned at the last known address of such Shareholder that do not give his consent shall remain entitled to receive notices convening general meetings of the Issuer by mail at their last known residential address.

18 THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS

Sections 6.3.1(iii) and 10.2.1(ii) of the Registration Document contain information sourced from the MIA Report (as defined in section 6.3.1(iii)). The Issuer confirms that the information extracted from such third party report has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Registration Document does not contain any statement or report attributed to any person as an expert.

19 DOCUMENTS ON DISPLAY

For the duration period of this Registration Document the following Reference Documents shall be available for inspection at the registered address of the Company at GlobalCapital plc, Testaferrata Street, Ta' Xbiex XBX 1403, Malta:

- M&As
- The audited consolidated financial statements of the Company for the financial periods ended 31 December 2012, 2013 and 2014
- The audited financial statements of each of the Subsidiaries for the financial periods ended 31 December 2012, 2013 and 2014
- The unaudited consolidated interim financial statements of the Group for the periods 30 June 2013, 2014 and 2015.

ISSUER:

GlobalCapital plc

GlobalCapital p.l.c.,
Testaferrata Street,
Ta' Xbiex XBX 1403, Malta

SPONSOR, REGISTRAR & MANAGER:

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