



SUMMARY NOTE

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

Dated 2 June 2014

SUMMARY NOTE

In respect of an Issue of €12,000,000 6% Unsecured Bonds 2021
of a nominal value of €100 per Bond issued at par by



Mediterranean Investments Holding p.l.c.

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

ISIN: MT0000371261

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE 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 INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES.

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

APPROVED BY THE DIRECTORS

Joseph Fenech on behalf of
Alfred Pisani, Samuel D. Sidiqi, Yousef Abdelmaula,
Faisal J.S. Alessa, Mario P. Galea, Khadija Oubala

Joseph Fenech

Legal Counsel

CAMILLERI PREZIOSI
ADVOCATES

Sponsor, Manager
and Registrar

CHARTS
WEALTH MANAGEMENT • CORPORATE BROKING



IMPORTANT INFORMATION

THIS SUMMARY NOTE CONSTITUTES PART OF A PROSPECTUS AND CONTAINS INFORMATION ON MEDITERRANEAN INVESTMENTS HOLDING P.L.C., ITS SUBSIDIARIES, AFFILIATES AND BUSINESS OF THE GROUP, AND INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: (A) THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS (AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013) AND COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014); AND (B) THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MSE.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE COMPANY OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF SECURITIES OF THE ISSUER OTHER THAN THOSE CONTAINED IN THIS 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 OR ITS DIRECTORS OR ADVISORS.

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.

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION.

IT IS THE RESPONSIBILITY OF ANY PERSONS IN POSSESSION OF THIS DOCUMENT AND ANY PERSONS WISHING TO APPLY FOR ANY SECURITIES ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH SECURITIES AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE ISSUE IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES NOTE OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED 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 OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF SAID DIRECTIVE, THE SECURITIES CAN ONLY BE OFFERED TO "QUALIFIED INVESTORS" (AS DEFINED IN SAID DIRECTIVE) AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE SAID DIRECTIVE.

A COPY OF THIS DOCUMENT HAS BEEN REGISTERED WITH THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MSE IN SATISFACTION OF THE MSE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT. APPLICATION HAS ALSO BEEN MADE TO THE MSE FOR THE BONDS TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE. **A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.**

THE CONTENTS OF THE 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.

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

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA, AND ANY PERSON ACQUIRING ANY BONDS PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE ISSUER TO BRING ANY ACTION, SUIT OR PROCEEDING, IN ANY OTHER COMPETENT JURISDICTION, ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF BONDS, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE. ALL THE ADVISORS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

THE 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.

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.

This Summary Note is prepared in accordance with the requirements of the Regulation, 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. Summaries are made up of disclosure requirements known as ‘Elements’. These elements are numbered in Sections A – E (A.1– E.7). This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ‘not applicable’.

In this Summary Note the following words and expressions shall bear the following meaning except where the context otherwise requires:

Act	the Companies Act (Cap. 386 of the Laws of Malta);
Applicant/s	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
Application/s	the application to subscribe for Bonds made by an Applicant/s by completing an Application Form/s and delivering same to the Registrar or to any of the Authorised Financial Intermediaries;
Application Form	the form of application of subscription for Bonds, a specimen of which is contained in Annex II of this Securities Note;
Authorised Financial Intermediaries	the licensed stockbrokers and financial intermediaries listed in Annex I of the Securities Note;
Bond(s)	the €12,000,000 bonds of a face value of €100 per bond bearing interest at the rate of 6% per annum and redeemable on the Redemption Date at their nominal value, as detailed in the Securities Note;
Bondholder	a holder of Bonds;
Bond Issue	the issue of the Bonds;
Bond Issue Price	the price of €100 per Bond;
Business Day	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
Corinthia Group	CPHCL and the companies in which CPHCL has a controlling interest;
CPHCL	Corinthia Palace Hotel Company Limited, a company registered under the laws of Malta with company registration number C 257 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
Cut-Off Date	close of business of 2 June 2014;
Directors	the directors of the Issuer whose names are set out under the heading “Identity of Directors, Senior Management, Advisors and Auditors” of the Registration Document;
EDREICO	Economic Development and Real Estate Investment Company, a company registered under the laws of Libya and having its registered office at 49, 4th Floor, Burj Al Fatah Tower, PO BOX 93142, Tripoli, Libya;
Euro or €	the lawful currency of the Republic of Malta;
Group	the Issuer (parent company), PCL and PWL (subsidiary companies), and MTJSC (associate company);
IHI	International Hotel Investments p.l.c., a company registered under the laws of Malta with company registration number C 26136 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
Interest Payment Date	22 June of each year between and including each of the years 2015 and the year 2021, provided that if any such day does not fall on a Business Day such Interest Payment Date will be carried to the next following day that is a Business Day;
Intermediaries’ Offer	the entry into conditional subscription agreements dated 20 June 2014 by the Issuer and a number of Authorised Financial Intermediaries for the subscription by such intermediaries, and allocation thereto by the Issuer, of Bonds;
Issuer or MIH	Mediterranean Investments Holding p.l.c., a public company registered under the laws of Malta with company registration number C 37513 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;

Listing Authority	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act (Cap. 345 of the Laws of Malta) by virtue of Legal Notice 1 of 2003;
Listing Rules	the listing rules of the Listing Authority;
LPTACC	Libya Projects Trading And Contracting Company, a company registered under the laws of Kuwait with company registration number 119633 and having its registered office at Office 16/Mezzanine, Block 12, Al Asfour International Company, Al Manqaf, Kuwait;
Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Maturing Bonds	the 7.5% bonds due to mature on 4 December 2014, amounting as at the date of the Prospectus to €14,757,659, issued by the Issuer pursuant to a prospectus dated 7 November 2007 with ISIN MT0000371212;
Medina Tower	the proposed Medina Tower project in Tripoli, Libya;
MFSA	Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the Laws of Malta);
NPHC	National Projects Holding Company (KSC), a Kuwaiti shareholding company registered under the laws of Kuwait with company registration number 111731 and having its registered office at National Market Building, 4th Floor, Office 24, Abdullah Al Salem, Al Mirqab, Kuwait;
Official List	the list prepared and published by the MSE as its official list in accordance with the Malta Stock Exchange Bye-Laws;
Palm City Residences	the Palm City Residences, a property operated by PCL and situated in Janzour, Libya;
PCL	Palm City Limited, a company registered under the laws of Malta with company registration number C 34113 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
Prospectus	collectively, the Registration Document, the Securities Note and the Summary Note;
PWL	Palm Waterfront Ltd, a company registered under the laws of Malta with company registration number C 57155 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta;
Redemption Date	22 June 2021;
Redemption Value	the nominal value of each Bond (€100 per Bond);
Registration Document	the registration document issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Regulation	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 a prospectus and dissemination of advertisements, as amended by: Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 amending Regulation (EC) No. 809/2004 as regards to regulatory technical standards for publication of supplements to the prospectus;
Securities Note	the securities note issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Sponsor	Charts Investment Management Service Limited, an authorised financial intermediary licensed by the MFSA and a Member of the MSE;
Subsidiaries	the subsidiary companies of the Issuer, that is PCL and PWL;
Summary Note	this summary note issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Terms and Conditions	the terms and conditions of the Bond Issue as contained in section 7 of the Securities Note.

SECTION A – INTRODUCTION AND WARNINGS

A.1 Prospective investors are hereby warned that:

- i. This summary is being provided to convey the essential characteristics and risks associated with the Issuer and the securities being offered pursuant to this document. This part is merely a summary and therefore should only be read as an introduction to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this summary in making a decision as to whether to invest in the securities described in this document. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;
- ii. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before legal proceedings are initiated; and
- iii. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, and who applied for its notification, but only if the summary, when read together with the other parts of the Prospectus: is misleading, inaccurate or inconsistent; or does not provide key information in order to aid investors when considering whether to invest in such securities.

A.2 Consent required for use of the Prospectus during the Issue Period – prospective investors are hereby informed that:

- i. For the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries during the Issue Period and any subsequent resale, placement or other offering of Bonds by such Authorised Financial Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Directive, the Issuer consents to the use of this Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale, placement or other offering of Bonds, provided that this is limited only:
 - (a) in respect of Bonds subscribed for through the Authorised Financial Intermediaries listed in Annex I of the Securities Note during the Issue Period;
 - (b) to any resale or placement of Bonds subscribed for as aforesaid taking place in Malta;
 - (c) to any resale or placement of Bonds subscribed for as aforesaid taking place within the period of 60 days from the date of the Prospectus.
- ii. **In the event of a resale, placement or other offering of Bonds by an Authorised Financial Intermediary, the Authorised Financial Intermediary shall be responsible to provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.**
- iii. Any new information with respect to Authorised Financial Intermediaries unknown at the time of the approval of this Prospectus will be made available through a company announcement which will also be made available on the Issuer's website: www.mihplc.com.

SECTION B – ISSUER

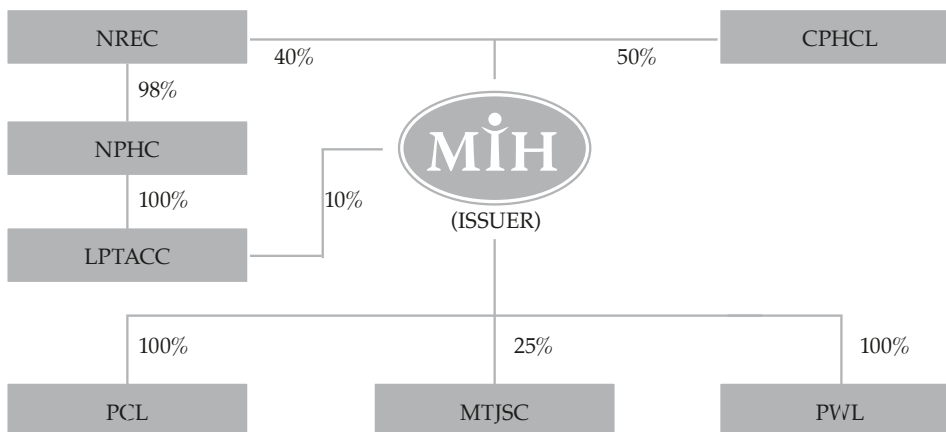
- B.1** The legal and commercial name of the Issuer is Mediterranean Investments Holding p.l.c. (registration number C 37513).
- B.2** The Issuer was registered in Malta in terms of the Act on 12 December 2005 as a private limited liability company, and was subsequently converted into a public limited liability company on 6 November 2007. The Issuer is domiciled in Malta.
- B.4b** The principal object of the Issuer, which is limited to activities outside Malta and to such other acts as are or may be necessary for its operations from Malta, is to directly and indirectly acquire and develop real estate opportunities in North Africa, including without limitation, opportunities with respect to retail outlets, shopping malls, office and commercial buildings, residential gated compounds, housing, hotels, build-operate-transfer (BOT) and other governmental projects, and conference centres.

In 2011 the North African region was affected by substantial political change. Civil unrest started in Tunisia, followed in Egypt and ultimately spread to Libya. In these countries the existing governments either stepped down or were removed. 2012 and 2013 were also characterised by turmoil in Egypt. Whilst the unrest in Libya had largely subsided in the first quarter of 2013, the remaining months of 2013 and first quarter 2014 have seen various protests and episodes of violence, with security concerns and fragmented governance in many areas of the country. The period during the conflict and its aftermath were characterised by political and economic instability and a curtailment of business activity. Despite such security challenges, commercial activity in Libya continues to expand and consequently demand for residential premises to accommodate executives for the long term should be maintained. In line with the published audited financial statements, 2013 turned out to be a positive year for PCL as the company concluded more residential term contracts with third parties, thereby increasing average occupancy at Palm City Residences from 79% in 2012 to 92%. Barring any unforeseen circumstances, in the near to medium term, occupancy at Palm City Residences and achieved revenues thereof are expected to remain broadly stable at current levels.

After achieving practically full occupancy at the Palm City Residences, MIH has turned its focus to the Palm Waterfront, which will be developed adjacent to the Palm City Residences. Management is already active in the preparation of detailed design drawings, and aims to submit final plans to the planning authorities in Tripoli for approval during the current financial year. It is the intention of PWL to offer residential units at Palm Waterfront, when complete, either on a lease basis or outright sale and PWL will align its strategies and offerings in accordance with trends and market developments. With respect to the planned 164-room 4-star hotel at the Palm Waterfront, PWL will resort to the Corinthia Group’s experience in operating hotels, particularly in the operation of the Corinthia Hotel Tripoli.

As to the Medina Tower, the project designs are complete and all development approvals have been obtained from the relevant authorities. The joint venture company responsible for the project, MTJSC, has also recently concluded a term sheet with a Libyan financial institution which, if confirmed, would secure the full funding for the said project on a debt to equity basis of 60:40. The development is expected to be completed within circa 48 months from commencement of the works. Said term sheet provides for a moratorium on capital repayments for the length of this 48 month period.

- B.5** The Issuer is the parent company of the Group. The organisational structure of the Group is illustrated in the diagram below:



- B.9** Not Applicable: the Registration Document forming part of the Prospectus does not contain any profit forecasts or estimates.
- B.10** Not Applicable: the audit reports on the audited financial statements for the years ended 31 December 2011, 2012 and 2013 do not contain any qualifications.
- B.12** The historical financial information for the Issuer and its Subsidiaries for the three financial years ended 31 December 2011, 2012 and 2013 as audited by Grant Thornton is set out in the financial statements of the Issuer. Such audited consolidated financial statements are available on the Issuer's website (www.mihplc.com) and at its registered office.

The remaining components of Element B.12 are not applicable, given that: (i) there has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements; (ii) there were no significant changes in the financial or trading position of the Issuer since the end of the financial period to which the last consolidated financial statements relate.

Extracts of the historical financial information referred to above are set out below:

Condensed statements of total comprehensive income

For the year ended 31 December	2013	2012	2011
	€'000	€'000	€'000
Revenue	30,875	27,315	10,202
EBITDA	23,146	20,537	5,724
Profit/(loss) for the year	13,793	49,043	(2,696)

Condensed statements of financial position

As at 31 December	2013	2012	2011
	€'000	€'000	€'000
Total assets	350,907	346,310	291,054
Equity and liabilities			
Total equity	166,140	152,393	103,304
Total liabilities	184,767	193,917	187,750
Total equity and liabilities	350,907	346,310	291,054

Condensed statements of cash flows

For the year ended 31 December	2013	2012	2011
	€'000	€'000	€'000
Net cash from operating activities	22,426	22,033	4,244
Net cash used in investing activities	(9,942)	(15,888)	(6,171)
Net cash (used in)/from financing activities	(15,111)	(22,165)	2,325
Net (decrease)/increase in cash and cash equivalents	(2,627)	(16,020)	398
Cash and cash equivalents at end of year	10,289	12,815	28,844

- B.13** Not Applicable: The Issuer is not aware of any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency.
- B.14** The Issuer is the parent company of the Group and was set up in 2005. Its principal activities include the direct or indirect acquisition, development and operation of real estate projects in Libya and the investment in any related trade or business venture. The business of the Group largely relates to the development and operation of the Palm City Residences, the construction and development of the Medina Tower, and the development and eventual operation of the Palm Waterfront. Since its incorporation, MIH has issued five bonds which are listed and traded on the MSE. As the holding company of the Group, MIH is ultimately dependent upon the operations and performance of its Subsidiaries and other investments.

- B.15** As at the date of the Prospectus, the Issuer is a holding company having investments in its Subsidiaries which operate the business of the Group. In terms of its Memorandum and Articles of Association, the main objects for which the Issuer is constituted, which are limited to activities outside Malta and to such other acts as are or may be necessary for its operations from Malta, are to directly or indirectly acquire and develop real estate opportunities in North Africa, including, without limitation, opportunities with respect to retail outlets, shopping malls, office and commercial buildings, residential gated villages, housing, hotels, build-operate-transfer and other governmental projects, and conference centres.
- B.16** The Issuer's current authorised share capital is €100,000,000 divided into 50,000,000 Ordinary 'A' shares of €1 each and 50,000,000 Ordinary 'B' shares of €1 each. The issued share capital of the Company is €48,002,000 divided into 24,001,000 Ordinary 'A' shares of €1 each and 24,001,000 Ordinary 'B' shares of €1 each, fully paid up. Each of CPHCL and NREC (directly or indirectly) hold 50% of the Issuer's share capital. Accordingly CPHCL and NREC are the ultimate beneficial shareholders of the Issuer. Of the 50% share owned by NREC, 10% is held by its subsidiary LPTACC, a fully owned subsidiary of NPHC which in turn is 98% owned by NREC. In terms of the Memorandum and Articles of Association of the Issuer each of CPHCL and NREC have the right to appoint three (3) Directors to the Board, with the seventh Director jointly appointed by CPHCL and NREC.
- B.17** Not Applicable: The Issuer has not sought the credit rating of an independent rating agency, and there has been no assessment by any independent rating agency of the Bonds issued by the Issuer.

SECTION C – SECURITIES

- C.1** The Issuer shall issue an aggregate of €12,000,000 in Bonds having a face value of €100 per bond, subject to a minimum subscription of €2,000 in Bonds. The Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Bonds will have the following ISIN number MT0000371261. The Bonds shall bear interest at the rate of 6% per annum and shall be repayable in full upon maturity unless previously re-purchased and cancelled.
- C.2** The Bonds are denominated in Euro (€).
- C.5** The Bonds are freely transferable and, once admitted to the Official List of the MSE, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.
- C.8** Investors wishing to participate in the Bonds will be able to do so by duly executing the appropriate Application Form in relation to the Bonds. Execution of the Application Form will entitle such investor to:
- (i) the payment of capital;
 - (ii) the payment of interest;
 - (iii) ranking with respect to other indebtedness of the Issuer in accordance with the status of the Bonds, as follows: “The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any”;
 - (iv) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond; and
 - (v) enjoy all such other rights attached to the Bonds emanating from the Prospectus.
- C.9** As at 31 December 2013 the indebtedness of the Group amounted to €117.03 million, consisting of bank loans (€40.94 million), corporate bonds (€72.88 million) and borrowings from shareholders (€3.2 million). The aforesaid bank borrowings are secured by privileges and hypothecs, and therefore the indebtedness being created by the Bonds, together with the other bonds already in issue, rank after all such bank borrowings. In addition, the Bonds would also rank after any future debts which may be secured by a cause of preference such as a privilege and/or a hypothec.
- The Bonds shall bear interest from and including 23 June 2014 at the rate of 6% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be effected on 22 June 2015. Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day. Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value on 22 June 2021.
- The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds at Redemption Date is six per cent (6%).
- The remaining component of Element C.9 is not applicable, given that no representative of debt security holders has been appointed.
- C.10** Not Applicable: there is no derivative component in the interest payments on the Bonds.
- C.11** The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated 2 June 2014. Application has been made to the MSE for the Bonds being issued pursuant to the Prospectus to be listed and traded on the Official List. The Bonds are expected to be admitted to the MSE with effect from 27 June 2014 and trading is expected to commence on 30 June 2014.

SECTION D – RISKS

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

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

Below is a summary of the principal risks associated with an investment in the Issuer and the Bonds – there may be other risks which are not mentioned in this Summary. Investors are therefore urged to consult their own financial or other professional advisors with respect to the suitability of investing in the Bonds. The following is a summary of the principal risk factors:

D.2 Essential information on the key risks specific to the Issuer, the Group and its business:

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

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

- i. All of the respective assets of the Issuer and PCL, their operations, business interests and activities, are located or conducted in Libya through a branch of PCL. Moreover, the Group’s business activities over the coming years are expected to be focused on and aimed at the development of the Medina Tower and the Palm Waterfront. Accordingly, the Group is susceptible to the political and economic trends that may from time to time influence Libya’s prospects. Specific risks that may have a material impact on the Group’s business, operating results, cash flows and financial condition include: acts of warfare and civil clashes; acts of terrorism; political, social and economic instability; government intervention in the market, including through tariffs, protectionism and subsidies; changes in regulatory, taxation and legal structures; difficulties and delays in obtaining permits and consents for operations and developments; inconsistent governmental action; and/or lack or poor condition of infrastructure. Any unexpected changes in the political, social, economic or other conditions and trends in or affecting Libya may have an adverse effect on the operations and financial results of the Group and on any investments made by the Group.
- ii. Emerging markets present economic and political conditions which differ from those of more developed markets, and could possibly present less social, political and economic stability, which could render investment in such markets more risky than investments in more developed markets. As an emerging market, the Libyan market is undergoing and may continue to undergo substantial political, economic and social reform, and the implications and consequences of reform may not be entirely clear at the outset. The consequences may be profound and accordingly prospective investors should take into account the unpredictability associated therewith.
- iii. The rental rates and occupancy levels at the Palm City Residences, and progress achieved in the development of the Medina Tower and the Palm Waterfront, could be adversely impacted by the aforementioned events, all of which could have an adverse impact on the Group’s operations and financial results. Businesses in emerging markets may not be operating in a market-oriented economy as known in more developed markets.
- iv. The Libyan legal and judicial system may be different from that which some investors may be more familiar with, and investors in Malta may consider such system as not providing the level of comfort for investment which they are used to under the Maltese legal system or other civil and common law jurisdictions, and accordingly they may consider that the Issuer may face difficulties in enforcing its legal rights relating to the properties owned in Libya.

- v. The main pillar of the Group's business consists of the acquisition, development and running of real estate projects in Libya. Property development projects are subject to a number of specific risks inherent in this field – the risk of cost overruns; the risk of insufficiency of resources to complete; the risk of sale or rental transactions not being effected at the prices and within the timeframe envisaged; higher interest costs; and the erosion of revenue generation. If these risks were to materialise, they would have an adverse impact on the Issuer's revenue generation, cash flows and financial performance. Furthermore, the Group is subject to various counter-party risks, including the risk of counter-parties and prospective purchasers and/or lessors defaulting on their obligations with the Group. Such parties may fail to perform or default on their obligations to the Group due to insolvency, lack of liquidity, market or economic downturn, operational failure or other reasons which are beyond the Group's control. If such risks, many of which are common to the real estate industry, were to materialise, they could have an adverse impact on the Group's revenue generation, cash flows and financial performance.
- vi. All industries, including the property development industry are subject to legal claims. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute, will not have a material adverse effect on the Issuer's future cash flow, results of operations or financial condition.
- vii. The Issuer and PCL both have a material amount of debt, and the Issuer may incur additional debt in connection with the Medina Tower and the Palm Waterfront projects, and other possible future development plans. The bank agreements regulating bank credit facilities, which PCL is party to, contain financial covenants which could limit PCL's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally, or otherwise inhibit the ability to conduct necessary corporate activities; and which, subject to applicable grace periods, could render the Issuer liable, in its capacity as joint and several guarantor for the purposes of the facility, for defaults by the parties to the facility. Any cross-default provisions contained in such facilities could have a material adverse effect on the financial position of the Issuer. Pursuant to the terms of issue of the said bank credit facilities, the land on which the Palm City Residences has been constructed is subject to a land charge granting a right of preference and ranking to the lending banks in priority and preference to other creditors.

As to the Medina Tower and Palm Waterfront projects, MTJSC and PWL are and/or will be negotiating bank credit facilities for the construction of their respective projects. The agreements regulating the bank debt are likely to impose significant operating restrictions and financial covenants on MTJSC and PWL. These restrictions and covenants could limit the ability of each of said companies and the Group to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities. Furthermore, the sites on which the Medina Tower and Palm Waterfront are to be constructed may be subject to a land charge granting a right of preference and ranking to the lending banks in priority and preference to other creditors.
- viii. Although the Group seeks to hedge against interest rate fluctuations, this may not always be economically practicable. Furthermore, the possibility of hedging may become more difficult in the future due to the unavailability or limited availability of hedging counterparties. An increase in interest rates which is not hedged by the Group may have a material adverse effect on its business, financial condition and results of operations.
- ix. In relation to present and future projects, the Issuer relies and will in future be relying heavily on the contacts and expertise of the Corinthia Group and NREC for the provision of assistance in the application for and procurement of permits, licenses or other development authorisations from the competent authorities in Libya. However no assurance can be given that the Issuer or its shareholders will be able to use such contacts and expertise as and when required.
- x. The Group's growth since inception is partially attributable to the efforts and abilities of the members of the executive management teams and other key personnel of the Issuer and PCL. If one or more of the members of these teams were unable or unwilling to continue in their present position, they may not be replaceable within the short term.

- xi. The timely payment of interest payable by the Issuer on its debt securities could be negatively conditioned by unforeseen adverse trends affecting the operations of PCL which could significantly impinge on PCL's cash flow. The payment of interest and partial capital repayment on the Issuer's debt securities will be funded principally by the dividend payouts of PCL. Any occurrence that could impede or otherwise delay the cash flow generation from the Palm City Residences will have a detrimental impact on PCL's ability to pay dividends, which in turn would have an adverse impact on the ability of the Issuer to meet the interest payments and partial capital repayments on their due date. Furthermore, in respect of the Palm City Residences, the Group could in future face competition from other residential properties in their respective areas of operation, which together with other factors could affect the said property's ability to both attract new tenants as well as retain tenants beyond the term of their lease.
- xii. The Group's activities potentially expose it to a variety of financial risks, including market risk (principally interest rate risk and fair value risk), credit risk and risks associated with the unpredictability of financial markets, all of which could have adverse effects on the financial performance of the Issuer and PCL.
- xiii. The Issuer's overseas operations are exposed, in the case of transactions not denominated in Euro, to foreign currency risk on transactions, receivables and borrowings that are denominated in a currency other than Euro.

D.3 Essential information on the key risks specific to the Bonds.

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

- i. the existence of an orderly and liquid market for the Bonds depends on a number of factors, including but not limited to, the presence of willing buyers and sellers of the Issuer's Bonds at any given time and the general economic conditions in the market in which the Bonds are traded. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price or at all;
- ii. investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds;
- iii. a Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different;
- iv. no prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time;
- v. the Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any. Furthermore, subject to the negative pledge clause, third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer for so long as such security interests remain in effect;
- vi. in the event that the Issuer wishes to amend any of the Terms and Conditions of the Bond Issue it shall call a meeting of Bondholders. The provisions relating to meetings of Bondholders permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority;
- vii. the Terms and Conditions of this Bond Issue are based on Maltese law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Maltese law or administrative practice after the date of this Prospectus.

SECTION E – OFFER

- E.2b** The proceeds from the Bond Issue, which net of Issue expenses are expected to amount to approximately €11,800,000, will be used by the Issuer for the purpose of part financing the redemption of the outstanding amount of the Maturing Bonds, which as at the date of the Prospectus stands at €14,757,659.

The redemption of the remaining balance of Maturing Bonds, equivalent to €2,957,659 in the event that the Bond Issue is fully subscribed, or a higher amount in the event that the Bond Issue is not fully subscribed, shall be financed from the Issuer's general cash flow.

- E.3** The Bonds are open for subscription by: holders of Maturing Bonds up to the nominal value of Maturing Bonds held by them as at the Cut-Off Date; and, for any Bonds not taken up by Existing Bondholders, by Authorised Financial Intermediaries pursuant to the Intermediaries' Offer.

Existing Bondholders applying for Bonds may elect to settle all or part of the amount due on the Bonds applied for by the transfer to the Issuer of Maturing Bonds at par value, subject to a minimum holding of €2,000 in Bonds and rounded upwards to the nearest €100. Any Existing Bondholders whose holding in Maturing Bonds is less than €2,000 shall be required to pay the difference together with the submission of their Application Form ("**Cash Top-Up**").

Existing Bondholders electing to subscribe for Bonds through the transfer to the Issuer of all or part of the Maturing Bonds held by them as at the Cut-Off Date ("**Maturing Bond Transfer**") shall be allocated Bonds for the corresponding nominal value of Maturing Bonds transferred to the Issuer (including Cash Top-Up, where applicable). In the event that the aggregate value of Applications by Existing Bondholders indicating Maturing Bond Transfer as consideration for subscription for the Bonds is in excess of €12,000,000, then the Issuer, acting through the Registrar, shall scale down each Application by Existing Bondholders in accordance with the allocation policy described below.

In the event that the aggregate value of Applications by Existing Bondholders indicating Maturing Bond Transfer as consideration for subscription for the Bonds is lower than €12,000,000, and accordingly there remain Bonds which are unallocated to Existing Bondholders, such Bonds shall form part of an Intermediaries' Offer. An Existing Bondholder wishing to apply for a number of Bonds exceeding in value the aggregate nominal value of Maturing Bonds held by them as at the Cut-Off Date may do so solely through an Authorised Financial Intermediary participating in the Intermediaries' Offer.

In the event that the aggregate of subscription agreements received from Authorised Financial Intermediaries in terms of the Intermediaries' Offer is in excess of the balance of the €12,000,000 of Bonds in issue which have not been allocated to Existing Bondholders receiving their full entitlement of Bonds following application by way of Maturing Bond Transfer, the Issuer (acting through the Registrar) shall scale down each subscription agreement received from Authorised Financial Intermediaries in accordance with the allocation policy to be issued as explained below.

Allocation Policy - the Issuer shall allocate the Bonds on the basis of the following policy and order of priority:

- i. first to Existing Bondholders up to the extent of their holdings of Maturing Bonds to be utilised for the purposes of the payment of consideration of Bonds and subject to the minimum holding of €2,000;
- ii. in the event that the satisfaction of all applications under paragraph (i) above shall result in an over-subscription of the Bond, within two (2) Business Days from closing of the Bond Issue the Issuer shall announce the result of the Issue and shall determine and announce the basis of acceptance of Applications and allocation policy to be adopted through a company announcement;
- iii. in the event that following the allocations made pursuant to paragraph (i) above there shall still remain unallocated Bonds, the Issuer shall offer such remaining Bonds to Authorised Financial Intermediaries through an Intermediaries' Offer.

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

1. General

The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any. Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 22 June 2021.

2. Form, Denomination and Title

The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €100 provided that on subscription the Bonds will be issued for a minimum of €2,000 per individual Bondholder. Financial Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €2,000 to each underlying client. Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Bond. Title to the Bonds may be transferred as provided in the Securities Note.

3. Redemption and Purchase

Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on the Redemption Date. Subject to the provisions of this paragraph, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike. All Bonds so purchased will be cancelled forthwith and may not be re-issued or re-sold.

4. Interest and Yield

The Bonds shall bear interest at the rate of 6% per annum payable annually on the 22 June of each year. Interest shall accrue as from 23 June 2014. The first Interest Payment Date following the issuance of this Prospectus shall be 22 June 2015. Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.

A Maturing Bond Transfer shall be without prejudice to the rights of the holders of Maturing Bonds to receive interest on the Maturing Bonds up to and including 22 June 2014. The Issuer intends to settle the difference between the interest rates applicable to the Maturing Bonds and the interest rate of 6% applicable to the Bonds, from 23 June 2014 up to 4 December 2014, being the date of redemption of the Maturing Bonds, to all persons holding Maturing Bonds who would have submitted their Application Forms by not later than 18 June 2014 and, consequently, exercising their option to subscribe for Bonds and settle the consideration for Bonds by transferring their Maturing Bonds to the Issuer as mentioned above.

The gross yield calculated on the basis of the interest, the Bond Issue Price and the redemption value of the Bonds at Redemption Date is 6%.

5. Status of the Notes and Negative Pledge

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

6. Payments

Payment of the principal amount of a Bond will be made in Euro by the Issuer to the person in whose name such Bonds are registered, with interest accrued up to the Redemption Date, by means of direct credit transfer into such bank account as the Bondholder may designate from time to time, provided such bank account is denominated in Euro and held with any licensed bank in Malta. Such payment shall be effected within seven (7) days of the Redemption Date.

Payment of interest on a Bond will be made in Euro to the person in whose name such Bond is registered as at the close of business fifteen (15) days prior to the Interest Payment Date, by means of a direct credit transfer into such bank account as the Bondholder may designate from time to time. Such payment shall be effected within seven (7) days of the Interest Payment Date.

7. Events of Default

The Securities Note sets out a list of events of default the occurrence of which would result in the Bonds becoming immediately due and repayable at their principal amount together with accrued interest.

8. Transferability of the Bonds

The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time. All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable laws and regulations. The cost and expenses of effecting any registration of transfer or transmission, except for the expenses of delivery by any means other than regular mail (if any) and except, if the Issuer shall so require for the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the Issuer. The Issuer will not register the transfer or transmission of Bonds for a period of fifteen (15) days preceding the due date for any payment of interest on the Bonds.

9. Further Issues

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

10. Meetings of Participation Bondholders

The provisions of the Prospectus may be amended with the approval of the Bondholders at a meeting called for that purpose by the Issuer in accordance with the terms and procedure set out under section 5.13 of the Securities Note.

11. Governing Law and Jurisdiction

The Bonds have been created, and the Bond Issue relating thereto is being made, in terms of the Act. From their inception the Bonds, and all contractual arrangements arising therefrom, shall be governed by and shall be construed in accordance with Maltese law. Any legal action, suit, action or proceeding against the Issuer arising out of or in connection with the Bonds shall be brought exclusively before the Maltese Courts and the Bondholder shall be deemed to acknowledge that it is submitting to the exclusive jurisdiction of the Maltese Courts as aforesaid.

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

E.7 Professional fees and costs related to publicity, advertising, printing, listing, registration, Sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €200,000.

TIME TABLE

1.	Application Forms mailed to holders of Maturing Bonds as at the Cut-Off Date	04 June 2014
2.	Closing date for Applications to be received from holders of Maturing Bonds as at the Cut-Off Date	18 June 2014
3.	Intermediaries' Offer*	20 June 2014
4.	Commencement of interest on the Bonds	23 June 2014
5.	Announcement of basis of acceptance	23 June 2014
6.	Refunds of unallocated monies	23 June 2014
7.	Expected dispatch of allotment advices	27 June 2014
8.	Expected date of admission of the securities to listing	27 June 2014
9.	Expected date of commencement of trading in the securities	30 June 2014

* The Intermediaries' Offer shall not be undertaken in the event of over-subscription by holders of Maturing Bonds.