

PROSPECTUS
Dated 10 July 2018

PALLADIUM P.L.C.

a public limited liability company registered under the laws of Malta with company registration number C87116 and having its registered office at Global Capital p.l.c. building, 2nd Floor, Testaferrata Street, Ta' Xbiex, XBX 1403, Malta

Offer of 150,000,000 Equity Warrants

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

AN INVESTOR HAS TO QUALIFY AS AN "ELIGIBLE INVESTOR" IN ORDER TO INVEST IN THE EQUITY WARRANTS. ELIGIBLE INVESTORS ARE PERSONS (I) THAT HAVE SUFFICIENT KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS TO PROPERLY EVALUATE THE MERITS AND RISKS OF AN INVESTMENT IN EQUITY WARRANTS (II) FOR WHOM AN INVESTMENT IN EQUITY WARRANTS MEETS THEIR INVESTMENT OBJECTIVES AND (III) THAT ARE ABLE TO BEAR THE INVESTMENT AND FINANCIAL RISKS RESULTING FROM AN INVESTMENT IN THE EQUITY WARRANTS.

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EACH APPLICATION FOR EQUITY WARRANTS IS SUBJECT TO A MINIMUM INVESTMENT AMOUNT OF € 20,000.

PAOLO CATALFAMO
DIRECTOR
DULY AUTHORISED

IN HIS OWN NAME AND ON BEHALF OF
THE OTHER DIRECTORS, NAMELY: JOSEPH DEL RASO,
GREGORY MCCOWAN, BRIAN JAMESON, RANULF SEED



IMPORTANT INFORMATION

THIS PROSPECTUS IS TO BE READ AND CONSTRUED IN CONJUNCTION WITH ANY AND ALL DOCUMENTS WHICH ARE DEEMED TO BE INCORPORATED HEREIN BY REFERENCE (SEE SECTION 16 ENTITLED “*REFERENCE DOCUMENTS*”). THIS PROSPECTUS SHALL BE READ AND CONSTRUED ON THE BASIS THAT SUCH DOCUMENTS ARE INCORPORATED AND FORM PART OF THIS PROSPECTUS.

THE ISSUER CONFIRMS THAT THIS PROSPECTUS CONTAINS ALL INFORMATION WHICH IS MATERIAL IN THE CONTEXT OF THIS ISSUANCE OF EQUITY WARRANTS; THAT THE INFORMATION CONTAINED HEREIN IN RESPECT OF THE ISSUER AND THE EQUITY WARRANTS IS ACCURATE IN ALL MATERIAL RESPECTS AND IS NOT MISLEADING; THAT ANY OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND BASED ON REASONABLE ASSUMPTIONS; THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT, WHETHER FACT OR OPINION, IN THIS PROSPECTUS MISLEADING IN ANY MATERIAL RESPECT; AND THAT ALL REASONABLE ENQUIRIES HAVE BEEN MADE TO ASCERTAIN ALL FACTS AND TO VERIFY THE ACCURACY OF ALL STATEMENTS CONTAINED HEREIN.

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NONE OF THE ADVISERS OR ANY PERSON MENTIONED IN THIS PROSPECTUS, OTHER THAN THE ISSUER, IS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS OR ANY SUPPLEMENT THEREOF OR ANY REFERENCE DOCUMENTS, AND ACCORDINGLY, TO THE EXTENT PERMITTED BY THE LAWS OF ANY RELEVANT JURISDICTION, NONE OF THESE PERSONS ACCEPTS ANY RESPONSIBILITY AS TO THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OF THESE DOCUMENTS.

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 AND WILL ACCORDINGLY NOT BE RESPONSIBLE 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. EACH PERSON RECEIVING THIS PROSPECTUS ACKNOWLEDGES THAT SUCH PERSON HAS NOT RELIED ON ANY OF THE ADVISERS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION AND EACH PERSON MUST RELY ON ITS OWN EXAMINATION OF THE PROSPECTUS AND THE EQUITY WARRANTS.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT TO INFORM HIMSELF OF AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAW AND REGULATIONS OF ANY RELEVANT JURISDICTION. APPLICANTS MUST SEEK THEIR OWN PROFESSIONAL ADVICE AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THIS ISSUANCE AND THE CONTENTS OF THIS PROSPECTUS.

THIS PROSPECTUS AND ALL REFERENCE DOCUMENTS SHOULD BE READ IN THEIR ENTIRETY BY INVESTORS BEFORE DECIDING WHETHER TO EXERCISE ANY RIGHTS TO WHICH THEY MAY BE ENTITLED OR ACQUIRE EQUITY WARRANTS DURING THE OFFER PERIOD.

THIS PROSPECTUS AND ANY REFERENCE DOCUMENTS DO NOT CONSTITUTE, AND MAY NOT BE USED FOR THE PURPOSES OF AN OFFER, INVITATION OR SOLICITATION TO ANYONE IN ANY JURISDICTION A) IN WHICH SUCH OFFER, INVITATION OR SOLICITATION IS NOT AUTHORISED OR B) IN WHICH ANY PERSON MAKING SUCH OFFER, INVITATION OR SOLICITATION IS NOT QUALIFIED TO DO SO OR C) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, INVITATION OR SOLICITATION. THE DISTRIBUTION OF THIS PROSPECTUS AND ANY REFERENCE DOCUMENTS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE EQUITY WARRANTS WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED. FURTHERMORE, THE EQUITY WARRANTS MAY ONLY BE OFFERED, SOLD OR DELIVERED TO “ELIGIBLE INVESTORS” (AS DEFINED HEREIN).

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 EQUITY WARRANTS, YOU SHOULD CONSULT AN INVESTMENT ADVISER LICENCED IN TERMS OF THE INVESTMENT SERVICES ACT (CAP. 370 OF THE LAWS OF MALTA).

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 PROSPECTUS CAN ONLY BE USED FOR THE PURPOSES FOR WHICH IT HAS BEEN PUBLISHED. INVESTORS HAVE TO QUALIFY AS “ELIGIBLE INVESTORS” (AS DEFINED HEREIN) IN ORDER TO SUBSCRIBE TO THE EQUITY WARRANTS OR TO ACQUIRE SUCH EQUITY WARRANTS FROM PREVIOUS HOLDERS THEREOF. NEVERTHELESS IT IS THE CLEAR PREFERENCE OF THE ISSUER THAT AN INVESTOR IS ALSO A ‘QUALIFIED INVESTOR’ AS SUCH TERM IS DEFINED IN THE COMPANIES ACT (CHAPTER 386 OF THE LAWS OF MALTA) HOWEVER, FOR THE AVOIDANCE OF DOUBT, THIS OFFERING IS NOT BEING MADE ONLY TO QUALIFIED INVESTORS.

THE PROSPECTUS HAS BEEN DRAWN UP IN TERMS OF DIRECTIVE 2003/71/EC OF THE European PARLIAMENT AND OF THE COUNCIL ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING AND AMENDING DIRECTIVE 2001/34/EC (AS AMENDED BY DIRECTIVE 2010/73/EU OF THE European PARLIAMENT AND OF THE COUNCIL AND COMMISSION).

FORWARD-LOOKING STATEMENTS

THIS DOCUMENT INCLUDES STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, “FORWARD-LOOKING STATEMENTS”. THESE FORWARD-LOOKING STATEMENTS CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY, INCLUDING THE TERMS “BELIEVES”, “ESTIMATES”, “ANTICIPATES”, “EXPECTS”, “INTENDS”, “MAY”, “WILL”, OR “SHOULD” OR, IN EACH CASE, THEIR NEGATIVE OR OTHER VARIATIONS OR COMPARABLE TERMINOLOGY. THESE FORWARD-LOOKING STATEMENTS RELATE TO MATTERS THAT ARE NOT HISTORICAL FACTS. THEY APPEAR IN A NUMBER OF PLACES THROUGHOUT THIS DOCUMENT AND INCLUDE STATEMENTS REGARDING THE INTENTIONS, BELIEFS OR CURRENT EXPECTATIONS OF THE ISSUER AND/OR THE DIRECTORS CONCERNING, AMONGST OTHER THINGS, THE ISSUER’S ROLE WITHIN THE ISSUER’S GROUP, OPERATIONS, FINANCIAL CONDITION, LIQUIDITY AND DIVIDEND POLICY OF THE ISSUER. THERE CAN BE NO ASSURANCE THAT THE RESULTS AND EVENTS CONTEMPLATED BY THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PROSPECTUS WILL OCCUR.

BY THEIR NATURE, FORWARD-LOOKING STATEMENTS INVOLVE RISKS AND UNCERTAINTIES BECAUSE THEY RELATE TO EVENTS AND DEPEND ON CIRCUMSTANCES THAT MAY OR MAY NOT OCCUR IN THE FUTURE. FORWARD-LOOKING STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND SHOULD THEREFORE NOT BE CONSTRUED AS SUCH. THE ISSUER’S ACTUAL RESULTS OF OPERATIONS, FINANCIAL CONDITION, LIQUIDITY, DIVIDEND POLICY AND THE DEVELOPMENT OF ITS STRATEGY MAY DIFFER MATERIALLY FROM THE IMPRESSION CREATED BY THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS DOCUMENT. IN ADDITION, EVEN IF THE RESULTS OF OPERATIONS, FINANCIAL CONDITION, LIQUIDITY AND DIVIDEND POLICY OF THE ISSUER ARE CONSISTENT WITH THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS DOCUMENT, THOSE RESULTS OR DEVELOPMENTS MAY NOT BE INDICATIVE OF RESULTS OR DEVELOPMENTS IN SUBSEQUENT PERIODS. IMPORTANT FACTORS THAT MAY CAUSE THESE DIFFERENCES INCLUDE, BUT ARE NOT LIMITED TO, CHANGES IN ECONOMIC CONDITIONS GENERALLY, LEGISLATIVE/REGULATORY CHANGES, CHANGES IN TAXATION REGIMES, THE AVAILABILITY AND COST OF CAPITAL FOR FUTURE INVESTMENTS AND THE AVAILABILITY OF SUITABLE FINANCING.

APPLICANTS ARE ADVISED TO READ THIS PROSPECTUS IN ITS ENTIRETY TOGETHER WITH THE REFERENCE DOCUMENTS, AND IN PARTICULAR, THE HEADING OF EACH SECTION OR ANY PART THEREOF ENTITLED “*RISK FACTORS*” FOR A FURTHER DISCUSSION OF THE FACTORS THAT COULD AFFECT THE ISSUER’S FUTURE PERFORMANCE. IN LIGHT OF THESE RISKS, UNCERTAINTIES AND ASSUMPTIONS, THE EVENTS DESCRIBED IN THE FORWARD-LOOKING STATEMENTS IN THIS DOCUMENT MAY NOT OCCUR. ALL FORWARD-LOOKING STATEMENTS CONTAINED IN THIS DOCUMENT ARE MADE ONLY AS AT THE DATE HEREOF. SUBJECT TO ITS LEGAL AND REGULATORY OBLIGATIONS (INCLUDING UNDER THE LISTING RULES), THE ISSUER AND ITS DIRECTORS EXPRESSLY DISCLAIM ANY OBLIGATIONS TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGE

IN EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY STATEMENT IS BASED.

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Definitions

In addition to the defined terms used in the section of this Prospectus entitled “*Terms and Conditions of the Issuance*”, the following words and expressions shall bear the following meanings, except where the context otherwise requires:

Advisers	the Advisers to the Issuer whose name and addresses are set out under the heading “ <i>Advisers</i> ” in section 3 of this Prospectus;
Applicant	an Eligible Investor who applies for the Equity Warrants during the Offer Period;
Articles of Association	the articles of association of Palladium p.l.c.;
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;
Business Plan	the business plan of the Issuer, highlighting the short and long-term plans and objectives of the Issuer, together with a detailed outline of how it intends to use the proceeds from the issuance of Equity Warrants;
Civil Code	the Civil Code, Cap. 16 of the laws of Malta;
Conversion Date	the date on which the Equity Warrant Holders have the option to convert their Equity Warrants into Ordinary B Shares, namely the 1 August 2021;
Companies Act	the Companies Act, Cap. 386 of the laws of Malta;
Company or Palladium or the Issuer	Palladium p.l.c., a public company registered in Malta and bearing company registration number C87116, having its registered office at Global Capital p.l.c. building, 2 nd Floor, Testaferrata Street, Gzira, Malta; ;
Directors, or collectively, the Board of Directors or the Board	the Issuer’s directors, whose names are set out in section 11.1 of this Prospectus;
Eligible Investor/s	persons (i) that have sufficient knowledge and experience in financial and business matters to properly evaluate the merits and risks of an investment in Equity Warrants (ii) for whom an investment in Equity Warrants meets their investment objectives and (iii) that are able to bear the investment and financial risks resulting from an investment in the Equity Warrants;
Ethereum	the open-source, public, blockchain-based distributed computing platform and operating system featuring smart contract functionality on which the Equity Warrant Blockchain shall be programmed and on which the Equity Warrants shall be tokenised;

Excluded Territories and each an Excluded Territory	any jurisdiction where the extension into or availability of the purchase and/or sale of Equity Warrants would breach any applicable law;
Equity Warrants	the equity warrants being offered by the Issuer, by means of this issuance, represented by tokens on the Equity Warrant Blockchain;
Equity Warrant Blockchain	the distributed ledger, designed on the Ethereum platform, on which the Equity Warrants will be issued and tokenised, and on which each and every transfer or sale of the Equity Warrants will be encrypted and recorded;
Equity Warrant Holders	Eligible Investors who subscribe to the Equity Warrants, and their Transferee/s, as applicable;
€, Euro or €	the lawful currency for the time being of the Eurozone;
Fiat currency/currencies	any currency that has been declared to be legal tender by an official governing body of any state/region;
Financial Institutions Act	the Financial Institutions Act, Cap. 376 of the laws of Malta;
Financial Markets Act	the Financial Markets Act, Cap. 345 of the laws of Malta;
FY	the financial year of the Issuer, being the period running between 1 January and 31 December of the year referred to;
Income Tax Act	the Income Tax Act, Cap. 123 of the laws of Malta;
Issue Date	October 15 2018;
Malta Financial Services Authority Act	the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
Management	means the Directors, officers, senior management (including the CEO, CFO, COO and CTO of the Company as outlined herein) and employees of the Company and such other persons as may be determined by the Directors to fit within the category of ‘Management’ to whom equity warrants (not being, for the avoidance of doubt, the Equity Warrants issued in terms of this Prospectus, albeit subject to the same terms and conditions) shall be allocated by the Company for no consideration;
Memorandum and Articles of Association	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 as established under the Malta Financial Services Authority Act;
MiFID	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directives 2002/92/EC and 2011/61/EU (recast);

Offer Period	the period between midnight (Central European Time) on July 25 2018 and 23:59 (Central European Time) on September 30, 2018, during which the Equity Warrants are offered to Eligible Investors;
Offer Price	€1 per Equity Warrant;
Online Subscription Application	The application document to be completed online by Eligible Investors wishing to subscribe to Equity Warrants which will be available on the Online Subscription Portal;
Online Subscription Portal	the online portal which will be set up by the Issuer and available on www.palladium46.com which will facilitate subscription by Eligible Investors to the Equity Warrants;
Ordinary A Shares	the ordinary A shares currently issued by Palladium, having a nominal value of €1 each in the capital of the Issuer;
Ordinary B Shares	the ordinary B shares in Palladium, having a nominal value of €0.000038 each, to be issued to Equity Warrant Holders who decide to exercise their right to convert their Equity Warrants into shares;
Ordinary Shares	the Ordinary A Shares and the Ordinary B Shares
Palladium Blockchain Clearing and Settlement Platform or the Palladium Blockchain	the permissioned blockchain platform to be developed by the Issuer, where all intergroup transactions, and accounting book entries will be recorded, as further described in the Business Plan;
Palladium Group	the group of companies to be formed using the proceeds of this issuance of Equity Warrants, of which Palladium will be the common holding company;
Prospectus	this document in its entirety including the Summary Note, and Reference Documents;
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 04 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, and as amended by Directive 2010/73/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 15 April 2014 and as may be further amended from time to time;
Prospectus Regulation	Commission Regulation (EC) No 809/2004 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 04 June 2012, Commission Delegated Regulation (EU) No 759/2013 of 30 April 2013, Commission Delegated Regulation (EU) 382/2014 of 7 March 2014, and Commission Delegated Regulation (EU) 2016/301 of 30 November 2015, and as may be further amended from time to time;
Record Date	10 July 2018;

Reference Documents	the documents listed in section 16 under the heading “ <i>Reference Documents</i> ”;
Summary Note	the summary of the Prospectus, as the same is contained in the section of the Prospectus named “ <i>Summary Note</i> ” and as the same may be amended, supplemented and updated from time to time;
Terms and Conditions	the Terms and Conditions set out under the heading “ <i>Terms and Conditions of the Issuance</i> ” in section 22 of this Prospectus;
Transferee/s	any person, also being an Eligible Investor, to whom the Equity Warrant Holder transfers the Equity Warrants;
Unikrn	Unikrn, Inc., a corporation incorporated under the laws of the state of Delaware, United States of America with registration number 5600306 and its registered address situated at 160 Greentree Drive, Suite 101, County of Kent, City of Dover, County of Kent, Delaware 19904 USA.

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.

SUMMARY NOTE

This Summary Note is issued in accordance with the provisions of Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No 486/2012 of the 30 March 2012 amending the Regulation as regards the format and content of the prospectus, the base prospectus, the summary and the final terms as regards the disclosure requirements and as further amended by Commission delegated Regulation (EU) No 862/2012 of 04 June 2012 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 amending Regulation (EC) No 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities, Commission Delegated Regulation (EU) No 382/2014 of 07 March 2014 supplementing Directive 2003/71/EC of the European Parliament and of the Council with regard to regulatory technical standards for publication of supplements to the prospectus and Commission Delegated Regulation (EU) No. 2016/301 of 30 November 2015 amending Regulation (EC) No. 809/2004 as regards to regulatory technical standards for publication of the prospectus and dissemination of advertisements. This Summary Note should be read as an introduction to the Prospectus.

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E. This Summary Note contains all the Elements required to be included in a summary for the Equity Warrants and the 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 a 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 should be included in the summary explaining why it is not applicable.

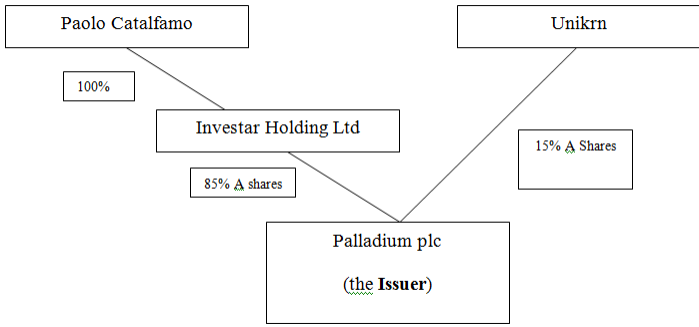
Section A – Introduction and Warnings

Element	Disclosure Requirement	Disclosure
A.1	Warning	<p>Prospective investors are hereby warned that:</p> <ol style="list-style-type: none">This Summary Note 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 Note 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;Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; andCivil liability attaches only to those persons who have tabled the Summary Note including any translation thereof and who applied for its notification, but only if the Summary Note, 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.
A2	Any consents to and conditions regarding use of this Prospectus	Not applicable. No consent has been given by the Company or any person responsible for drawing up this Prospectus to use this Prospectus for subsequent sale or final placement of securities by financial intermediaries.

Section B – Issuer

Element	Disclosure Requirement	Disclosure
B.1	Legal name Commercial name	The legal name of the Issuer is Palladium p.l.c.
B.2	Domicile and legal form of the issuer	The Issuer is a Maltese public limited liability company, incorporated in Malta with company registration number C87116 and operating under the Companies Act (Cap. 386 of the laws of Malta). The Issuer is domiciled in Malta. The registered office of the Issuer is at Global Capital p.l.c. building, 2 nd Floor, Testaferrata Street, Ta' Xbiex, XBX 1403, Malta.
B.3	Nature of the issuer's current operations its principal activities, and identification of the principal markets in which the issuer competes.	<p>The Issuer's principal activity is to invest, manage, and develop financial technologies companies with the aim to develop an advanced array of services in traditional and emerging financial services. The initial activities are expected to be banking, electronic payments, and crypto currency trading.</p> <p>The Issuer plans to target crypto asset services generally including blockchain development, and banking services in the European Union.</p> <p>The Issuer's goal is to address existing problems connected to the use of blockchain technology and crypto currencies in compliance with the current rules and regulations for banking and financial services. The Issuer is not aware of any market competitors who are also trying to develop blockchain solutions which are legally compliant with current regulations and international financial regimes.</p> <p>The Issuer intends to offer its products and services to a broad spectrum of customers, and depending on the success of this issuance of Equity Warrants, to as wide a market as possible.</p>
B.4a	Significant recent trends	Not applicable.
B.5	Group description	<p>The majority shareholder in the Issuer is Investar Holding Ltd, which is in turn, wholly-owned by Prof. Paolo Catalfamo.</p> <p>Investar Holding Ltd is a vehicle founded expressly to hold Prof. Catalfamo's stake in the Issuer.</p>

		<p>Unikrn is an esports betting company, based in Las Vegas, Nevada. The persons who currently hold 5% or greater ownership interest in Unikrn are Mr. Rahul Sood (holder of 28% of the shares in Unikrn), Mr. Karl Flores (holder of 23% of the shares in Unikrn) and BN Capital Fund I, L.P. (holder of 15% of the shares in Unikrn).</p>  <pre> graph TD PC[Paolo Catalfamo] -- 100% --> IHL[Investar Holding Ltd] IHL -- 85% A shares --> P[<u>Palladium plc</u> (the Issuer)] U[Unikrn] -- 15% A Shares --> P </pre>												
B.6	Major shareholders	<p>The Equity Warrants do not have any voting rights attached to them. The Ordinary B Shares do not have any voting rights. All the voting rights are held by the Ordinary A Shares. The following shareholders hold in excess of five per cent of the Issuer's share capital at the date of this Prospectus:</p> <table border="1"> <thead> <tr> <th>Company/Shareholder</th><th>Number of Shares</th><th>Percentage Holding</th></tr> </thead> <tbody> <tr> <td>Investar Holding Limited</td><td>42,500 A Shares</td><td>85%</td></tr> <tr> <td>Unikrn</td><td>7,500 A Shares</td><td>15%</td></tr> <tr> <td>Total</td><td>50,000 A Shares</td><td>100%</td></tr> </tbody> </table> <p>Investar Holding Limited controls the Issuer through the 85% holding of the ordinary shares of the Issuer.</p>	Company/Shareholder	Number of Shares	Percentage Holding	Investar Holding Limited	42,500 A Shares	85%	Unikrn	7,500 A Shares	15%	Total	50,000 A Shares	100%
Company/Shareholder	Number of Shares	Percentage Holding												
Investar Holding Limited	42,500 A Shares	85%												
Unikrn	7,500 A Shares	15%												
Total	50,000 A Shares	100%												
B.7	Key financial information and narrative description of significant changes to financial condition and operating results of the Group during or subsequent to the period covered by the historical financial information	Not applicable: no financial information has been published in this Prospectus.												
B.8	Key pro forma financial	Not applicable: No key pro forma financial information has been published in this Prospectus.												

	Information	
B.9	Profit forecast or estimate	Not applicable: No profit forecast or estimate made.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable.
B.11	Issuer's working capital	The Board of Directors of the Issuer is of the opinion that the working capital available to the Issuer is sufficient for its business requirements over the coming twelve months of operations.

Section C – Securities

Section C – Securities

Element	Disclosure Requirement	Disclosure																																
C.1	Type and class of securities	The Equity Warrants are equity warrants under the Prospectus Directive. The Equity Warrants are convertible into Ordinary B Shares on the Conversion Date at a rate of 1 (one) Equity Warrant per Ordinary B Share.																																
C.2	Currency	Euro																																
C.3	Number of shares issued	<div><div>The current authorised share capital of the Issuer is €58,769.230778 divided as follows:</div><table><tr><th>Share Class</th><th>Nominal Value</th><th>Number of Shares</th><th>Share Capital</th></tr><tr><td>A</td><td>€1</td><td>50,000</td><td>€50,000</td></tr><tr><td>B</td><td>€0.000038</td><td>230,769,231</td><td>€8,769.230778</td></tr><tr><td></td><td></td><td>230,819,231</td><td>€58,769.230778</td></tr></table><div>Once issued, the Ordinary B Shares will form part of the issued share capital of the Issuer. Assuming full conversion of all Equity Warrants and all the equity warrants which will be allocated to Management, into Ordinary B Shares, the issued share capital of the Company on the Conversion Date will be:</div><table><tr><th>Share Class</th><th>Nominal Value</th><th>Number of Shares</th><th>Share Capital</th></tr><tr><td>A</td><td>€1</td><td>50,000</td><td>€50,000</td></tr><tr><td>B</td><td>€0.000038</td><td>230,769,231</td><td>€8769.230778</td></tr><tr><td></td><td></td><td>230,819,231</td><td>€58,769.230778</td></tr></table></div>	Share Class	Nominal Value	Number of Shares	Share Capital	A	€1	50,000	€50,000	B	€0.000038	230,769,231	€8,769.230778			230,819,231	€58,769.230778	Share Class	Nominal Value	Number of Shares	Share Capital	A	€1	50,000	€50,000	B	€0.000038	230,769,231	€8769.230778			230,819,231	€58,769.230778
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B	€0.000038	230,769,231	€8769.230778																															
		230,819,231	€58,769.230778																															
C.4	Description of the rights attached to the shares	The Equity Warrants provide the right to the holders thereof of conversion to Ordinary B shares in the Issuer. The Ordinary B Shares do not have any voting rights but have a right to participate in the profits of the Issuer on a <i>pari passu</i> basis amongst themselves and with the holders of the Ordinary A Shares depending on the nominal value of the Ordinary B Shares held.																																

C.5	Description of any restrictions on the free transferability of the securities	<p>The Equity Warrants can only be transferred to Eligible Investors, who are defined in the Prospectus as persons (i) that have sufficient knowledge and experience in financial and business matters to properly evaluate the merits and risks of an investment in Equity Warrants (ii) for whom an investment in Equity Warrants meets their investment objectives and (iii) that are able to bear the investment and financial risks resulting from an investment in the Equity Warrants;</p> <p>There are no restrictions on the free transferability of the Ordinary B Shares.</p>
C.6	Admission to listing on a Regulated Market	Not applicable.
C.7	A description of the dividend policy	The Issuer may, in accordance with Articles 124 to 133 of the Articles of Association, pay 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 Issuer. The extent of any dividend distribution depends upon many factors, amongst which the profit for the year, market outlook, any loan covenants in place, regulatory requirements related to capital adequacy and distributions and the availability of distributable reserves in terms of law.
C.11	Admission of the securities to trading on a regulated market or other equivalent market	Not applicable: the securities will not be the object of an application for admission to trading in a regulated market or other equivalent markets.
C.15	Effect of the investment value by the value of the underlying instruments	Not applicable.
C.16	Expiration or maturity date of the securities	The Equity Warrants will expire following the Conversion Date if not converted into Ordinary B Shares. The Conversion Date is October 15, 2021.
C.17	Settlement procedure	<p>The Eligible Investors shall complete the subscription processes, by accessing the Online Subscription Portal, providing all necessary information, and by furnishing the required KYC and due diligence documentation, between 12:00am July 25, 2018 and 11:59pm on September 30, 2018 (the “Offer Period”). The allocations of the Equity Warrants will be announced by October 15, 2018 which will also be the Issue Date. Such an announcement will be made on the Issuer’s website at https://www.palladium46.com. Applicants to the Equity Warrants will be notified by October 15, 2018 through the Online Subscription Portal by receiving a message with an indication of the number of Equity Warrants allocated to them.</p> <p>The Equity Warrants shall be tokenised and represented as tokens on the Equity Warrant Blockchain. The Equity Warrants shall also be evidenced by a book-entry in the register held by the Issuer.</p>

		<p>Therefore, following the Issue of the Equity Warrants, ownership of Equity Warrants will be recorded using crypto address-based book entries in the Equity Warrant Blockchain. Any ownership changes that take place due to the transfer of Equity Warrants from the end of the Offer Period, until the Conversion Date, will only be recorded on the Equity Warrant Blockchain. The initial Equity Warrant register will be the only record of the Equity Warrant Holders maintained by the Issuer.</p> <p>Once converted into Ordinary B Shares, the information on Ordinary B Shareholders and their respective shareholding in the Company shall be maintained by the company secretary of the Company in the register of members of the Company.</p>
C.18	Return on derivative securities	<p>The Equity Warrants are considered equity warrants under the Prospectus Directive. On the Conversion Date, the Equity Warrants can be converted into Ordinary B Shares at a rate of 1 (one) Equity Warrant per Ordinary B Share.</p> <p>The Ordinary B Shares will be entitled to the distributable profits of the Company by way of dividend on a <i>pari passu</i> basis with the other shareholders of the Company in accordance with the nominal value of the Ordinary Shares held by each shareholder.</p>
C.19	Exercise Price/Final Reference Price	The Ordinary B Shares will have a nominal value of €0.000038.
C.20	Description of the underlying	<p>The Ordinary B Shares are issued in accordance with the requirements of the Companies Act, the Prospectus Directive and the Prospectus Regulation. The Ordinary B Shares will be non-voting shares, but will grant the holders thereof the right to the distributable profits of the Company by way of dividend on a <i>pari passu</i> basis with the other shareholders of the Company in accordance with the nominal value of the Ordinary shares held by each shareholder. The Ordinary B Shares shall be freely transferable.</p> <p>Further information on the Ordinary B Shares and the rights attached thereto can be found in the Memorandum and Articles of Association of the Issuer.</p>
C.22	Information about the underlying share	<ul style="list-style-type: none"> - On the Conversion Date, the Equity Warrants can be converted into Ordinary B Shares at a rate of 1 (one) Equity Warrant per Ordinary B Share; - The Ordinary B Shares are denominated in Euro; - The Ordinary B Shares shall entitle holders thereof to the distributable profits of the Company by way of dividend on a <i>pari passu</i> basis with the other shareholders of the Company in accordance with the nominal value of the Ordinary shares held by each shareholder; - and - The Ordinary B Shares shall be freely transferable.

Section D – Risks

Element	Disclosure Requirement	Disclosure
D.1	Key information on the key risks that are specific to the issuer or its industry	<p>General risks: the success of the issuance of Equity Warrants, and the Business Plan of the Issuer, will depend largely on the Issuer's ability to create and develop two fully functional blockchain platforms. There are various risks associated with this nascent technology. The Issuer could also find difficulties in acquiring or setting up a bank, which would in turn delay the implementation of its Business Plan, and in turn cause delays to the intended revenue streams which the Issuer is expected to generate.</p> <p>Risks Relating to Blockchain Technology and Ethereum: Blockchain-based technologies, Ethereum, and other associated and related technologies are not exclusively controlled by the Issuer and adverse changes in market forces or the technology, broadly construed, may prevent or compromise the Issuer's performance and the issuance itself.</p> <p>Unforeseeable Risks: There may be additional risks that cannot be anticipated or foreseen due to the incipience of cryptographic token technology, Blockchain-based technology, Ethereum and related technologies, together with the constantly changing laws and regulations.</p> <p>Dependence on Key Personnel: The Issuer is dependent on its Board of Directors and Executive Management and the loss of one or more key personnel or an inability to attract and retain highly skilled personnel may impair its ability to achieve the objectives set out in the Business Plan.</p> <p>No Operating History: The Issuer is a newly incorporated entity so there is no operating history that an Eligible Investor can evaluate before making an investment in the Equity Warrants.</p> <p>Concentration Risk: this may arise because of lack of diversification in business that may lead to excessive exposures or concentration in one counterparty or group of connected counterparties.</p> <p>Foreign Exchange Risk: The Issuer is exposed to foreign exchange risks which include the monetary assets of the liability of the Issuer that are not denominated in the functional currency of the Issuer.</p> <p>Liquidity Risk: The Issuer may be unable to meet its obligations as they become due because of an inability to liquidate assets or obtain adequate funding or that it cannot easily unwind or offset specific exposures without significantly lowering market prices because of inadequate market depth or market disruptions.</p> <p>Operational Risk: The Issuer's activities are exposed to the potential that inadequate information systems, operations problems, breaches in internal controls, fraud, or unforeseen catastrophes will result in unexpected losses.</p>

		<p>IT Risk: The integrity, reliability, and operational performance of the Issuer's IT systems are critical to the Issuer's operations. The Issuer's IT systems may be damaged or interrupted by increases in usage, human error, unauthorised access, natural hazards or disasters or similarly disruptive events. The Issuer is exposed to risks which may arise from inadequate information technology and processing, inappropriate IT strategy and policy or inadequate use of the Issuer's IT.</p> <p>Legal Risk: The Issuer is subject to legal risks which arise from the possibility that unenforceable contracts, lawsuits, or adverse judgements can disrupt or otherwise negatively affect the operations or condition of the Issuer. Legal risks could also arise when the Issuer will seek to purchase an already existing bank.</p> <p>Regulatory Risk: The acquisition of the bank is contingent upon a number of regulatory approvals, both on the part of the Issuer, its directors, and other involved personnel. There are a number of significant uncertainties regarding the ability of the Issuer to be approved by regulatory bodies such as the European Central Bank, which will determine whether it will be able to purchase a majority stake in a bank. The regulation of tokens, cryptocurrencies (including Ethereum), blockchain technologies, and cryptocurrency exchanges is currently undeveloped and likely to rapidly evolve, and vary significantly among international, federal, state and local jurisdictions and are subject to significant uncertainty. Failure by the Issuer to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.</p> <p>Risk of Data Protection Failure and Fraud: The Issuer is subject to significant regulation regarding the use of personal customer data. Therefore, it must comply with strict data protection and privacy laws and regulations. Such laws restrict the Issuer's ability to collect and use personal information relating to customers and potential customers including the use of that information for marketing purposes. The Issuer is also at risk from cyber-crime, meaning that this data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection and privacy laws and regulations.</p> <p>Compliance Risk: this is the risk of not complying with local and international laws and regulations including but not limited to Anti-Money Laundering and Anti-Terrorism Financing laws and regulations, company law, and International Financial Reporting Standards amongst others.</p> <p>Reputational Risk: Negative publicity regarding the Issuer's business practices, whether true or not, could be particularly damaging for the Issuer since the nature of its business requires maintaining the confidence of depositors, creditors, regulatory authorities and of the general marketplace.</p>
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		<p>Strategic and Business Risk: Improper strategic choices or the actual implementation of strategic decisions can have a serious and significant impact on prospective profit and capital results.</p> <p>External Factors: The Issuer's performance may be adversely affected by external factors beyond the Issuer's control.</p> <p>Issuer's Solvency: The Shareholders assume the credit risk of Palladium as the Issuer of the Equity Warrants. In the case of insolvency of the Issuer, the Shareholders may suffer direct and materially adverse consequences, including loss of their entire investment.</p> <p>Brexit: United Kingdom's exit from the European Union may have a direct or indirect impact on the business environment within which the Issuer operates. The implications of Brexit are not entirely clear so the extent of the impact on the Issuer cannot be assessed appropriately.</p> <p>Funding Risk: Funding risk is the risk that the Issuer may not be able to achieve the goals set out in its Business Plan in the event that the Issuer does not meet its targets in collecting sufficient monies from this issuance of Equity Warrants. In such a case the Issuer might struggle to achieve the Business Plan or may need to adjust it materially in order to cater for a different reality than the one expected.</p> <p>Risks Associated to Majority Shareholder: With Investar Holding Ltd as the only major shareholder of the Issuer, there will be a high dependency on one shareholder, whether for capital or funding, which always highlights the risk of 'contagion' if that shareholder were to find itself in financial difficulties.</p>
D.6	Key information on the key risks that are specific to the securities	<p>Complexity of the Equity Warrants: Equity Warrants are complex debt securities which may not be a suitable investment for all investors. Each potential investor must determine the suitability of that investment in light of its own circumstances.</p> <p>Currency Risk: Investors should also be aware that any investment in Equity Warrants shall be denominated in Euro. This involves certain risks on the part of the investor, in particular exchange rate fluctuations that may affect the realisation of the original investment of the investor who may use a different currency to calculate the value of the investments.</p> <p>Dividend Risk: Palladium's ability to pay dividends and its ability to receive distributions from its investments in other entities is subject to applicable laws. As a matter of Maltese law, a company can only pay dividends to the extent that it has distributable reserves and sufficient cash available for this purpose.</p> <p>Price Fluctuation Risk: The market price of Equity Warrants could be subject to significant fluctuations due to a change in sentiment in the</p>

		<p>market regarding the Equity Warrants and/or securities of other financial institutions.</p> <p>Securities Law Risk: Securities laws of certain jurisdictions may restrict the Issuer's ability to allow participation by investors in this issue of Equity Warrants. Securities laws of certain other jurisdictions may restrict the Issuer's ability to allow participation by investors in such jurisdictions in any future issuances of Equity Warrants carried out by the Issuer.</p> <p>Competition: It is possible that alternative networks or platforms could be created that utilise the same or similar open-source codes and protocols that underlie the Equity Warrant Blockchain. Competition from such networks or platforms could negatively impact the performance of the Issuer, the Equity Warrant Blockchain and/or the value of Equity Warrants.</p> <p>Orderly and Liquid Market: The existence of an orderly and liquid market for the Equity Warrants, depends on a number of factors, many of which are beyond the Issuer's control, including but not limited to, the presence of willing buyers and sellers of the Equity Warrants at any given time and the general economic conditions in the market in which the Equity Warrants are traded. Accordingly, there can be no assurance that an active secondary market for the Equity Warrants 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 Equity Warrants at all.</p> <p>GENERAL WARNING: Investors may lose the value of their entire investment or part of it, as the case may be.</p>
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Section E – Offer

Element	Disclosure Requirement	Disclosure
E.1	Net proceeds and costs of issue	The net proceeds of the Issue (assuming take up in full of all Equity Warrants) are expected to be approximately €149,700,000 million (net of expenses). The total costs, charges and expenses payable by the Company in connection with the Issue are not expected to exceed €0.3 million. No expenses will be charged by the Company to the purchasers of the Equity Warrants.
E.2b	Reasons for the offer and use of proceeds	<p>The Issuer requires significant funding to achieve the goals set out in its Business Plan. Most of the capital required by the issuer will come from the proceeds of the issue of the Equity Warrants.</p> <p>The net proceeds from this issuance of Equity Warrants will be used by the Issuer as follows:</p>

		<ul style="list-style-type: none"> • 50% of the capital raised will be used to acquire a controlling interest in a bank and to be invested in the bank's technology in order to suit the needs of the Palladium Group; • 35% of the capital raised will be used to launch the crypto exchange and build the Palladium Blockchain Clearing and Settlement Platform; and • The remaining 15% of the capital raised will be allocated by the Investment Committee of the Company to the acquisition of strategic interests in other financial services companies or ventures involved in distributed ledger technology which are complimentary to, and enhance the objectives of, the Business Plan.
E.3	Terms and conditions of the Rights Issue and the Intermediaries' Offer	<p>The Issuer is proposing to raise proceeds through the issue of 150,000,000 Equity Warrants.</p> <p>The Equity Warrants will be issued on the Issue Date at a price of €1 per Equity Warrant, payable in full on acceptance by the Eligible Investor on the Record Date of the terms and conditions as set out in this Prospectus and on the Online Subscription Portal.</p> <p>The allotment of Equity Warrants is conditional upon a minimum of ten million (10,000,000) in Equity Warrants being subscribed for, resulting in €10,000,000 being raised by the Company during the Offer Period.</p> <p>It is the responsibility of the Eligible Investors wishing to apply for the Equity Warrants to inform themselves as to the legal requirements applying in Malta and in the countries of their nationality, residence or domicile.</p> <p>The Issuer will not dispatch or distribute a physical application form. Instead, the Issuer will provide the Online Subscription Portal, which will contain the Online Subscription Application. The Online Subscription Application will only be available on the Online Subscription Portal.</p>
E.4	Material interests	Not applicable. There are no interests, known to the Company, material to the issue of the New Ordinary Shares or which are conflicting interests.
E.5	Name of person selling securities	Not applicable
	Lock-up agreements	Not applicable
E.6	Dilution resulting from the Rights Issue	Not applicable

E.7	Estimated expenses charged to the investor by the Issuer	Not applicable. No expenses will be charged to the investor by the Issuer.
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1. RISK FACTORS

1.1 GENERAL

An investment in the Equity Warrants involves certain risks, relating both to the Issuer and to the securities. The following risks are those identified by the Issuer as at the date of the Prospectus. Prospective investors should consider carefully, together with their independent financial and other professional advisers, the following risk factors and other investment considerations as well as all the other information contained in this Prospectus and Reference Documents before deciding to make an investment in the Issuer and the Equity Warrants.

Some of these risks are subject to contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingencies occurring. The sequence in which the risks below are listed is not intended to be indicative of any order of probability of a particular cause of loss arising or of the extent of that loss should it arise.

Should any of the risks described below materialise, they could have a serious adverse effect on the Issuer's financial results and trading prospects.

The risks and uncertainties discussed below may not be the only ones that the Issuer faces. Additional risks and uncertainties, including those that the Directors of the Issuer may not currently be aware of, could well result in a material impact on the financial condition and operational performance of the Issuer. Accordingly, prospective investors should make their own independent evaluation of all risk factors and should consider all other sections in the Prospectus before investing in the Equity Warrants. In addition, prospective investors ought to be aware that risk may be amplified due to a combination of risk factors.

1.2 FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements. No assurance can be given that future results or expectations covered by such forward-looking statements will be achieved. These statements by their nature involve substantial risks and uncertainties, certain of which are beyond the Issuer's control.

1.3 RISKS RELATING TO THE ISSUER AND THE ISSUER'S BUSINESS PLAN

The success of the issuance of Equity Warrants, and the tokenisation of the Equity Warrants, together with the success of the Business Plan, will depend largely on the Issuer's ability to create, develop two fully functional blockchain platforms: the Equity Warrant Blockchain and the Palladium Blockchain Clearing and Settlement Platform.

Blockchain is still a nascent technology, and there are various risks involved with the Issuer's dependence on this technology, together with the uncharted territory that it brings with it.

In addition, various risk factors associated with the financial services industry must also be considered.

Identified risks associated with the underlying blockchain technology and the business of the Group is further defined below.

Furthermore the Issuer could find difficulties in acquiring a bank in which case this could delay the implementation of the business plan and this would also mean a delay to the revenue streams which the Issuer is expected to generate from such an acquisition. Furthermore if the Issuer opts to set up a new bank rather than acquire an existing one then there could be a substantial delay in generating profit from this operation which would be a new operation which would be launched with new systems, procedures, management and a completely new offering. The revenues of the Issuer could also be impacted in the operation of the crypto exchange if this is a new operation. Setting up a new crypto exchange could present a number of challenges of a financial, technological and legal nature which could also delay the go live date for such a business in turn impacting the timeline within which such a business is expected to be profitable.

It should be appreciated that the success of the Issuer's business model is dependent on having in place the three core building blocks, that is the bank, the crypto-exchange and the Palladium Blockchain. Accordingly if for some reason the Issuer is not successful in putting together these three building blocks then the implementation of the Issuer's business model could be compromised.

1.3.1 Risk Relating to Blockchain Technology and Ethereum

Blockchain-based technologies, Ethereum, and other associated and related technologies are not exclusively controlled by the Issuer and adverse changes in market forces or the technology, broadly construed, may prevent or compromise the Issuer's performance and the issuance itself.

Changes in regulatory or intellectual property law, technological advancements, decreases in token or cryptocurrency or cryptographic token utility, social or economic reforms, the failure of commercial relationships, or the malfunction, breakdown or abandonment of the Ethereum Protocol, Blockchain-based technology, Ethereum and other related technologies may lead to the dissolution, disappearance, abandonment or operation with material impairments of the Palladium Blockchain, on which the tokens (representing the Equity Warrants) are issued.

Investing in blockchain industry involves a high degree of risk in itself. All prospective investors, whether they have experience with similar investments or not, should carefully consider the risks described herein and be aware that the risks and uncertainties described in this Prospectus may not be the only risks relating to blockchain related investments. There can be no assurance that blockchain-related investments will generate sufficient funds to enable repayment of all or even part of any capital invested.

1.3.2 Risks Associated with the Equity Warrant Blockchain and the Palladium Blockchain Clearing and Settlement Platform

The success of the Equity Warrant Blockchain and the Palladium Blockchain Clearing and Settlement Platform cannot be predicted. The Equity Warrant Blockchain is currently under development and may undergo significant changes before it is released. Any expectations regarding the form and functionality of the Equity Warrant Blockchain may not be met for any number of reasons including a change in the design, implementation plans and execution of the implementation of the Equity Warrant Blockchain and the Palladium Blockchain Clearing and Settlement Platform. This may, in turn, adversely impact the value and utility of the Equity Warrants.

There are risks associated with using or accessing the Equity Warrant Blockchain and the Palladium Blockchain Clearing and Settlement Platform, including, but not limited to, the failure of hardware, software and Internet connections. Distributed ledger or blockchain technology is still largely untested. There may be flaws in the code or programs that are used to create, transfer or store digital assets such as the Tokens. Eligible Investors may not be able to access or control their Tokens or they may be stolen, e.g., in case of a hack. More generally, the technology may not function quickly and securely, e.g. during peaks of activity.

There is also a risk that a breakthrough in decryption technologies and methods could cause weaknesses in the implementation to be exposed. Hackers or other malicious groups or organizations may attempt to interfere with blockchain platforms or Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing.

The Issuer is not responsible for the proper and/or complete transmission of the information contained in any electronic communication or of the electronic communication itself, nor for any disruption, distortion or delay in its delivery or receipt, however so caused. Equity Warrant Holders are solely responsible for backing up and maintaining duplicate copies of any information stored on or transferred through the Equity Warrant Blockchain.

Furthermore, investments in blockchain industry and in blockchain technologies require technical skills that may be beyond that of an average investor. Trading, safekeeping, and handling the Tokens on the Equity Warrant Blockchain may require knowledge of blockchain technologies and cryptocurrencies. Blockchain technologies are generally experiencing fast change and evolution and may contain bugs, or complexities that could also lead to human error.

1.3.3 Unforeseen Risks

There may be additional risks that cannot be anticipated or foreseen due to the incipience of cryptographic token technology, Blockchain-based technology, Ethereum and related technologies. There could also be a number of risks which are unforeseeable arising from change in laws and regulations making it harder for the Issuer to complete its business plan particularly in the launch and operation of the crypto exchange. New technology has its risks which are hard to manage and foresee. Furthermore the Issuer might not manage to raise the amount of money required in order for it to implement its business to its fullest extent in the best way possible. In such a case the Issuer may still continue with the implementation of the business plan in a reduced fashion. This could mean delay in implementation as well as a more restricted offering to customers which are elements potentially impacting revenues to shareholders.

1.3.4 Dependence on Key Personnel

The Issuer is dependent on its Board of Directors and Executive Management (which are made up of the persons described in Section 11 of this Prospectus) and the loss of one or more key personnel or an inability to attract and retain highly skilled personnel may impair its ability to achieve the objectives set out in the Business Plan.

The success of the Issuer depends in part upon the continued services of the Board of Directors, and Executive Management. The Issuer does not have employment agreements with any of its officers or Directors, that require them to continue to work for the Issuer for any specified period and, therefore, these officers may terminate their relationship with the Issuer at any time with no

advance notice. The replacement of these key personnel likely would involve significant time and costs may significantly delay or prevent the achievement of the Issuer's business objectives.

The Issuer faces intense competition for qualified individuals from numerous technology and software companies. If the Issuer fails to attract and retain suitably qualified individuals, including software engineers and blockchain experts, the Issuer's ability to implement the Business Plan and develop and maintain the Equity Warrant Blockchain and the Palladium Blockchain Clearing and Settlement Platform could be adversely affected.

1.3.5 No Operating History

The Issuer is a newly incorporated entity so there is no operating history that an Eligible Investor can evaluate before making an investment in the Equity Warrants. No guarantee or representation is made in terms of the investment results or successes of the Issuer or of the Eligible Investor who invests in the Equity Warrants. There can be no assurance that the objectives of the Issuer, as described in the Business Plan will be achieved.

1.3.6 Concentration Risk

Concentration risk may arise because of lack of diversification in business that may lead to excessive exposures or concentration in one counterparty or group of connected counterparties. Furthermore, concentration risk may also arise in terms of geographies, regions, countries, industries, products, counterparties or for connectivity or inter-relationships that may exist between them.

1.3.7 Foreign Exchange Risk

The Issuer is also exposed to foreign exchange risk. These exposures include the monetary assets and monetary liabilities of the Issuer, together with an element of income and expenses that are not denominated in the functional currency of the Issuer. Transactional exposures give rise to foreign currency gains and losses that are recognised in the income statement.

1.3.8 Liquidity Risk

Liquidity risk arises in the general funding of the Issuer's activities and the management of positions. It is the risk that the Issuer may be unable to meet its obligations as they become due because of an inability to liquidate assets or obtain adequate funding (referred to as 'funding liquidity risk') or that it cannot easily liquidate an asset or offset specific exposures in an appropriate time-frame without significantly lowering market prices because of inadequate market depth or market disruptions ('market liquidity risk').

1.3.9 Operational Risk

Operational risk arises from the potential that inadequate information systems, operational problems, breaches in internal controls, fraud, or unforeseen catastrophes will result in unexpected losses. The Issuer's activities are subject to operational risk, including but not limited to weak or non-adherence to internal controls and corporate governance. Such breakdowns can lead to financial losses through error, fraud, or failure to perform in a timely manner and may cause the interests of the Issuer to be compromised particularly if risk mitigants in place, such as insurance and/or collateral fail.

1.3.10 IT Risk

Information technology risk may arise from inadequate information technology systems and processes, inappropriate IT strategy and policy or inadequate use of the Issuer's IT. The Issuer depends on technology and advanced information systems, which may fail or be subject to disruption and various forms of threats (internal and external) that could impact any or all of its IT systems and operations resulting in the leaking of confidential or sensitive data and information.

The integrity, reliability, and operational performance of the Issuer's IT systems are critical to the Issuer's operations. The Issuer's IT systems may be damaged or interrupted by increases in usage, human error, unauthorised access, natural hazards or disasters or similarly disruptive events. Furthermore, the Issuer's current systems may be unable to support a significant increase in traffic or increase in customer numbers, whether as a result of organic or inorganic growth of the business. Any failure of the Issuer's IT infrastructure or the telecommunications and/or other third-party infrastructure on which such infrastructure relies, could lead to significant costs and disruptions that could reduce revenue, damage the Company's reputation and have a material adverse effect on the operations, financial performance and prospects of the Issuer.

The Issuer has business continuity procedures and security measures in place to protect against network or IT failure or disruption. However, those procedures and measures may not be effective against all forms of disruption and may not serve to ensure that the Issuer is able to carry on its business. Should these measures and protections fail to operate as intended or at all, they might not prevent a material disruption to the Issuer's operations, and the resultant material adverse effect on its financial performance and prospects.

The Issuer cannot give any assurance that the use of applications and systems designed for system security will effectively counter evolving security risks or address the security concerns of existing and potential customers. Any failures in the Issuer's security measures could have a material adverse effect on the Issuer's business, financial condition and results of operations. In addition, the Issuer's controls may not be effective in detecting or preventing any intrusion or other security breaches, or safeguarding against sabotage, hackers, viruses and other forms of cyber-crime. Any failure in these protections could harm the Issuer's reputation and have a material adverse effect on the operations, financial performance and prospects of the Issuer.

1.3.11 Legal Risk

The Issuer is subject to various forms of legal risk. Legal risks arise from the possibility that unenforceable contracts, lawsuits, or adverse judgments can disrupt or otherwise negatively affect the operations or condition of the Issuer. Legal risks could also arise when the Issuer will seek to purchase an already existing bank. Such risks are normally addressed during the due diligence process and by the provision of undertakings and warranties which may be given by the sellers; nevertheless it is not uncommon that a due diligence process might not be exhaustive or that the sellers would not volunteer all the information

1.3.12 Regulatory Risk

One of the main building blocks for Palladium to succeed in its endeavours, as identified later on in this Prospectus, is the purchase of a regulated bank. The acquisition of the bank is contingent upon a number of regulatory approvals, both on the part of the Issuer, its directors, and other involved personnel. There are a number of significant uncertainties regarding the ability of the

Issuer to be approved by regulatory bodies such as the European Central Bank, which will determine whether it will be able to purchase a majority stake in a bank.

Furthermore, the regulation of tokens, cryptocurrencies (including Ethereum), blockchain technologies, and cryptocurrency exchanges are currently undeveloped and likely to rapidly evolve, and vary significantly among international, federal, state and local jurisdictions and are subject to significant uncertainty. Some of the companies in which Palladium will invest may operate in highly regulated industries. Various legislative and executive bodies around the world are currently considering, or may in the future consider, laws, regulations, guidance, or other actions, which may severely impact the Issuer's ability to achieve the targets set out in its business plan.

Failure by the Issuer to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

1.3.13 Risk of Data Protection Failure and Fraud

The Issuer is subject to significant regulation regarding the use of personal customer data. The Issuer shall be processing personal customer data (including but not limited to name, address and bank details) as part of its business, some of which may be sensitive personal data, and therefore must comply with strict data protection and privacy laws and regulations. Such laws restrict the Issuer's ability to collect and use personal information relating to customers and potential customers including the use of that information for marketing purposes.

The Issuer is also at risk from cyber-crime. Notwithstanding the Issuer's efforts to ensure compliance with the relevant data protection regulations and protection from cyber-crime, the Issuer is exposed to the risk that this data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection and privacy laws and regulations. If the Issuer or any of the third-party service providers on which it relies fails to store or transmit customer information in a secure manner, or if any loss of personal customer data were otherwise to occur, the Issuer could be subject to investigative or enforcement action by relevant regulatory authorities and could face liability under data protection and privacy laws and regulations. The Issuer could also be targeted by other forms of fraudulent activity. Any of these events could also result in the loss of the goodwill of its customers and deter new customers who could have a material adverse effect on the Issuer's business, financial condition, results of operation and prospects.

Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "GDPR") has taken effect from 25 May 2018. The GDPR introduced substantial changes to data protection law, including an increased emphasis on businesses being able to demonstrate compliance with their data protection obligations, which will require significant investment by the Issuer in its compliance strategies. In addition, relevant supervisory authorities are given the power to impose fines of up to 4 per cent of an undertaking's annual global group turnover or €20 million (whichever is the greater) for failure to comply with provisions of the GDPR.

1.3.14 Compliance Risk

Compliance risk is the risk of not complying with local and international laws and regulations including but not limited to Anti-Money Laundering and Anti-Terrorism Financing laws and regulations, company law, and International Financial Reporting Standards amongst others.

1.3.15 Reputational Risk

Reputational risk is the risk that negative publicity regarding the Issuer's business practices, whether true or not, will cause a decline in the customer base, costly litigation, or revenue reductions. Reputational risk could be particularly damaging for the Group since the nature of its business requires maintaining the confidence of depositors, creditors, regulatory authorities and of the general marketplace.

Reputational risk arises from operational failures, or failure to comply with relevant local and international laws and regulations.

1.3.16 Strategic and Business Risk

Strategic risk is the risk associated with the future business plans and strategies of the Issuer. 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 Issuer, and is more within the control of decisions taken by management but which nevertheless can have a significant impact on operating and business results.

1.3.17 External Factors

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

Other external factors which are also beyond the control of the Issuer but which could affect business continuity of the Issuer or any of its Subsidiaries or associate companies, include natural disasters, epidemics, terrorist attacks etc.

1.3.18 Issuer's Solvency

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

1.3.19 Brexit

On 23 June 2016 the United Kingdom ("UK") voted to leave the European Union in a referendum (the "Brexit Vote") and on 29 March 2017 the United Kingdom gave formal notice (the "Article 50 Notice") under Article 50 of the Treaty on the European Union ("Article 50") of its intention to leave the European Union. The timing of the UK's exit from the EU remains subject to some uncertainty, but it is unlikely to be before March of 2019. Article 50 provides that the EU treaties will cease to apply to the UK two years after the Article 50 Notice unless a withdrawal agreement enters into force earlier or the two-year period is extended by unanimous agreement of the UK and the European Council. The terms of the UK's exit from the EU are

also unclear and will be determined by the negotiations taking place following the Article 50 Notice. It is possible that the UK will leave the EU with no withdrawal agreement in place if no agreement can be reached and approved by all relevant parties within the allotted time.

If the UK Government leaves the EU with no withdrawal agreement, it is likely that a high degree of political, legal, economic, regulatory and other uncertainty will result in the UK and possibly the rest of the EU. According to the Brexit Sensitivity Index, a survey of 20 countries most exposed to a potential UK exit from the EU issued by Standard & Poors, Malta is in second place on the frontline of economies susceptible to trade and migratory repercussions from a decision by the UK to leave to the EU.

All this might have a direct or indirect impact on the business environment within which the Issuer operates. As at the date of this Prospectus, in the absence of any defined Brexit plan, the full impact of this action cannot be assessed appropriately.

1.3.20 Funding Risk

Funding risk is the risk that the Issuer may not be able to achieve the goals set out in its Business Plan in the event that the Issuer does not meet its targets in collecting sufficient monies from this issuance of Equity Warrants. In such a case the Issuer might struggle to achieve the Business Plan or may need to adjust it materially in order to cater for a different reality than the one expected.

1.3.21 Risks Associated to Majority Shareholder

The Issuer's shareholder is Investar Holding Ltd. With Investar Holding Ltd as the only major shareholder of the Issuer, there will be a high dependency on one shareholder, whether for capital or funding, which always highlights the risk of 'contagion' if that shareholder were to find itself in financial difficulties. In addition, the controlling shareholders' interests may not always be aligned with those of other stockholders and such controlling shareholders will have control or significant influence over material matters affecting the Issuer.

1.4 RISKS RELATING TO THE SECURITIES

1.4.1 Complexity of the Equity Warrants and Expected Returns

Equity Warrants are complex debt securities which may not be a suitable investment for all investors. Each potential investor must determine the suitability of that investment in light of its own circumstances. The Equity Warrants do not provide any return to the holders and only provide the holders thereof with the right to convert the Equity Warrants into Ordinary B shares of the Issuer. In view of their nature as equity securities the only returns which would arise from the Ordinary B Shares would be dividends as may be recommended by the directors and distributed by the shareholders of the Issuer, as may be payable out of the Issuer's distributable profits. The directors could recommend that the distributable profits should be reinvested in whole or in part in the Issuer which would mean that the holders of the Ordinary B shares might not receive any dividends from their holding of shares in the Issuer until such time as recommended by the directors of the Issuer. Accordingly investors should not look at the equity warrants as an income generating assets but should rather consider their eventual investment in the Ordinary B shares as a capital investment which could increase in value over time and provide the holders thereof with capital gains.

1.4.2 Currency Risk

Investors should also be aware that any investment in Equity Warrants shall be denominated in Euro. This involves certain risks on the part of the investor, in particular exchange rate

fluctuations that may affect the realisation of the original investment of the investor who may use a different currency to calculate the value of the investments.

1.4.3 Dividend Risk

Palladium's ability to pay dividends and its ability to receive distributions from its investments in other entities is subject to applicable laws. As a matter of Maltese law, a company can only pay dividends to the extent that it has distributable reserves and sufficient cash available for this purpose. The Issuer's ability to pay dividends in the future is affected by a number of factors, principally its ability to generate and receive income for such purposes, directly or indirectly, from its operating subsidiaries and associates.

In addition, other restrictions, including regulatory requirements, capital and leverage requirements, statutory reserves, financial and operation performance and applicable tax laws may restrict its ability to pay dividends.

1.4.4 Price Fluctuation Risk

The market price of Equity Warrants could be subject to significant fluctuations due to a change in sentiment in the market regarding the Equity Warrants and/or securities of other financial institutions. The fluctuations could result from national and global economic and financial conditions, the market's response to the Issue, market perceptions of Issuer and various other factors and events.

1.4.5 Securities Law Risk

Securities laws of certain jurisdictions may restrict the Issuer's ability to allow participation by investors in this issue of Equity Warrants. Securities laws of certain other jurisdictions may restrict the Issuer's ability to allow participation by investors in such jurisdictions in any future issuances of Equity Warrants carried out by the Issuer. Eligible Investors who are resident in, or who are citizens of countries other than Malta, should consult their professional advisers as to whether they require any governmental or other consent or need to observe any other formalities to enable them to participate in the issue of Equity Warrants.

There may also be restrictions on the sale and purchase of cryptocurrencies and cryptographic tokens in certain jurisdictions, including outright prohibition or a requirement that the sale or purchase must take place on a regulated exchange or trading venue. Regulatory applicability may be even retroactive. It is possible that these restrictions may become more prohibitive over time. There is, therefore, a risk that purchasers of Equity Warrants cannot access a regulated exchange or trading venue in their jurisdiction, or any other jurisdiction and may, therefore, find it difficult or impossible, costly or unlawful to sell Equity Warrants or any alternative cryptocurrency or cryptographic token they hold as a substitute for Equity Warrants.

1.4.6 Competition

It is possible that alternative networks or platforms could be created that utilise the same or similar open-source codes and protocols that underlie the Equity Warrant Blockchain. Competition from such networks or platforms could negatively impact the performance of the Issuer, the Equity Warrant Blockchain and/or the value of Equity Warrants.

1.4.7 Orderly and Liquid Market

The existence of an orderly and liquid market for the Equity Warrants, depends on a number of factors, many of which are beyond the Issuer's control, including but not limited to, the presence of willing buyers and sellers of the Equity Warrants at any given time and the general economic conditions in the market in which the Equity Warrants are traded. Accordingly, there can be no assurance that an active secondary market for the Equity Warrants 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 Equity Warrants at all.

2. PERSONS RESPONSIBLE

Each and all of the Directors whose names appear in section 11 of this Prospectus, are the persons responsible for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and contains no omission likely to affect its import. The Directors accept responsibility accordingly.

3. ADVISERS

Legal Counsel

GANADO Advocates
171, Old Bakery Street
Valletta VLT 1455
Malta

4. INFORMATION ABOUT THE ISSUER

4.1 HISTORY AND DEVELOPMENT OF THE ISSUER

The Issuer is registered and domiciled in Malta as a public company under registration number C87116 and with its registered office at Global Capital p.l.c. building, 2nd Floor, Testaferrata Street, Ta' Xbiex, XBX 1403, Malta. It was incorporated on July 4, 2018.

The Issuer is a holding company formed to invest in and create a fully integrated, global network of financial services as further described in the Business Plan.

The Issuer may be contacted on telephone: +356 22796796, email: info@palladium46.com, or through the website: www.palladium46.com

5. BUSINESS OVERVIEW

5.1 PRINCIPAL ACTIVITIES

The Issuer's principal activity is to invest, manage, and develop financial technologies companies with the aim to develop an advanced array of services in traditional and emerging financial services. The initial activities are expected to be banking, electronic payments, and crypto currency trading.

The Issuer's ability to conduct banking activities, or the acquisition of the bank (as described further in the Business Plan) is contingent upon a number of regulatory approvals, both on the part of the Issuer, its directors, and other involved personnel. Before commencing banking activities, the Issuer will need

to attain a license from the relevant competent authority (depending on the jurisdiction of the bank) or the necessary approval of a transfer of ownership of an already licensed bank.

5.2 PRINCIPAL MARKETS

Palladium plans to target crypto asset services generally including blockchain development, and banking services in the European Union.

5.3 BUSINESS PLAN

5.3.1 Executive Summary

The Issuer's goal is to address existing problems connected to the use of blockchain technology and crypto currencies in compliance with the current rules and regulations for banking and financial services. The ideas set out in this Business Plan are innovative and ground-breaking. The Issuer is not aware of any market competitors who are also trying to develop blockchain solutions which are legally compliant with current regulations and international financial regimes.

The Issuer's solution to this problem is to develop a blockchain platform to create synthetic accounts both in crypto and fiat currencies by consolidating segregated bank and crypto exchange accounts. Fiat funds will always be held by a regulated bank and while crypto currencies will be held at the exchange and will never be converted into fiat currencies. The platform's role is to present customers with a singular, unified interface to manage their various asset classes and to access a wide array of services denominated both in fiat and in crypto currencies without concerning themselves with technological and regulatory complexities or dealing with the inefficiencies of the current crypto-fiat conversion process. Most importantly, the operations will be in compliance with the current rules and regulations.

The Issuer intends to offer its products and services to a broad spectrum of customers, and depending on the success of this issuance of Equity Warrants, to as wide a market as possible.

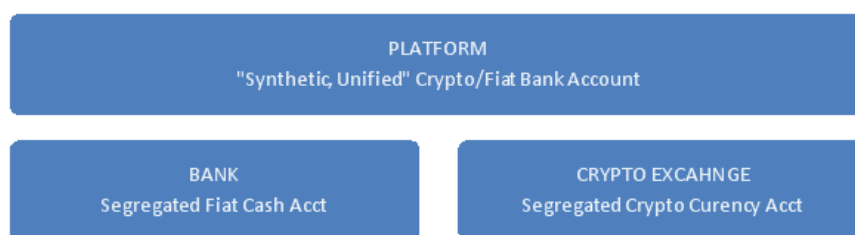
5.3.2 The Custodian Model

Palladium's solution, as described above, is widely used by custodians, asset managers, and traders.

Funds usually invest in and hold instruments from many different securities and countries - all of those assets are registered and held in different "accounts" all over the world. To keep track of all of them and to present them to asset managers in a single, unified, easy-to-read statement account is a complex, undertaking in cross-border finance. The safekeeping of stocks and their registration is typically done in the country where the securities are listed. Collecting data from many custodians and handling all the required foreign exchange trades to manage an international asset base would result in an unmanageable workload. Global custodians address this problem by providing asset consolidation and FX trading to and on behalf of their asset management clients.

Global custodians take care of all of this behind the scenes, presenting asset managers with just the information they need, all summarised neatly in a single statement. Assets are consolidated, even though the securities never physically leave the segregated accounts of the custodians and sub-custodians.

Exhibit 1 Crypto/Fiat Bank Account



5.3.3 The Issuer's Goal

Palladium's vision is to create a regulated, blockchain-integrated financial services group. The Issuer believes that its strategy will allow the Company to provide a singular interface to access traditional banking, asset management, insurance, payment services, crypto trading, and fiat/crypto conversion facilities in full accordance with current regulations.

To create its integrated offering, the Company has identified three fundamental blocks that it will need to be established, developed, or purchased (as the case may be) for the project to succeed:

- 1. Regulated Bank** – The bank will hold fiat deposits in traditional bank accounts. The Issuer will use its best endeavours to set up or acquire a bank in a Eurozone country, preferably in Malta. However this will depend on the availability of banks which can be acquired in the Eurozone and on the timeliness of obtaining approval from the European Central Bank. The Issuer cannot exclude that it would also be exploring the acquisition or formation of a bank in a member state of the European Union which is not a member of the Eurozone.
- 2. Palladium Blockchain Clearing and Settlement Platform** – The Issuer will develop a permissioned blockchain platform to connect, initially, the bank which will eventually form part of the Palladium Group and a crypto exchange forming part of the Palladium Group, in order to in due course enable connectivity to additional business components. The initial, primary purpose of this platform will be to enable virtual fiat credit and debits to be transferred between the bank and the crypto exchange so products and services can be offered without requiring the transfer of fiat between the two institutions.
- 3. Crypto Exchange** – The exchange will enable investors in cryptocurrencies to exchange crypto assets with other crypto assets and thus serve as an alternative to fiat currency and a liquidity source for crypto assets.

All intra-group transactions will be recorded on the Palladium Blockchain Clearing and Settlement Platform, using smart contracts. These are self-executing contracts built using computer coding and complex encryption on the Palladium Blockchain Clearing and Settlement Platform, which will be developed by the Company specifically for this purpose. With this whole set up in place, Palladium expects to operate as a clearing house for the instruments denominated in a number of currencies that will be traded on the Palladium Blockchain Clearing and Settlement Platform.

Part of the proceeds from this issue of Equity Warrants will be used to develop the Palladium Blockchain Clearing and Settlement Platform as further described in Section 17.3 of this Prospectus.

The settlement and clearing functionality of the Palladium Blockchain Clearing and Settlement Platform is illustrated in 5.3.6 *How It Will Work*.

The Issuer does not intend to trade or settle financial instruments as defined under MiFID, nor is it the intention for the crypto exchange or the Palladium Blockchain Clearing and Settlement Platform to be used for the issuing, trading or settling of financial instruments. The intention is for the crypto exchange to only trade, exchange or settle cryptocurrencies.

5.3.4 Reasons for Each of the Blocks

5.3.4.1 The Bank

A bank is one of the three fundamental blocks of the Issuer's strategy. To offer a singular, transparent interface to convert between fiat and crypto, while observing all pertinent regulations, it is necessary to segregate traditional banking deposits from crypto assets. The bank will serve this purpose.

The Issuer's bank will offer traditional services –current accounts, payment card, loans, and merchant services. However, it will also enable the funding of accounts at the Palladium Group's crypto exchange, where cash/fiat conversions can take place.

From publicly available information there are potentially 56 publicly traded banks in Europe that could be potentially acquired or taken control of via share purchases in the open market. While the Issuer would prefer to acquire 100% of the target bank's issued stock, this might not always be possible or necessary or indeed affordable as the Issuer could still achieve its goals if it acquires control of the target bank to enable it to implement its business plan. Out of these 56 banks there is one bank with market capitalization under €6.7mm, 19 banks with market capitalization between €6.7mm and €26.9mm, 12 banks with market capitalization between €27mm and €47mm, six banks with market capitalization between €47mm and €62mm, and 18 banks with market capitalization between €63mm and €150mm. Furthermore, there are a number of acquisition candidates in each market capitalization bracket with the ideal characteristics to be part of the Issuer's business plan in view of their online presence, modern IT systems, and relatively automated KYC/AML procedures. The table below evidences this in more detail indicating the number of bank and their market capitalisation and average revenues.

Market Cap Range	Count	Avg Rev
€0 - €6,713,689	1	€6,713,689
€6,713,689 - €26,846,049	19	€15,941,382
€26,846,049 - €46,978,409	12	€40,545,282
€46,978,409 - €67,110,769	6	€58,276,855
€67,110,769 - €87,243,128	7	€79,276,435
€87,243,128 - €107,375,488	7	€94,430,762
€107,375,488 - €147,640,208	4	€132,747,488

The Issuer's best case scenario would be the acquisition of a controlling stake in a publicly traded bank in Europe with a market capitalisation below Euro150 million with a price to book ratio in the vicinity of 1 (which is indicative of a healthy banking enterprise) and annual profits in the range of Euro5 million. Furthermore the Issuer would prefer to acquire a bank with existing on-line operations and a relatively automated AML/KYC systems. The preference would be to acquire a bank which generates its business primarily from retail clients by providing general banking services such as lending, corporate and personal accounts. The reason for this typology of bank which could be interesting to the Issuer is due to the integration which the Issuer would like to develop between the bank and the crypto-exchange through the Palladium Blockchain. The Issuer's expectation is to identify an asset which is fairly priced (in the form of interests in the bank) and enhance its enterprise value by the application of the business model as explained herein. The Issuer does not intend to acquire such a bank in order to

squeeze margins out of its existing operations. That kind of financial model is more akin to a private equity strategy which the Issuer is not following. Indeed the Issuer's objective is to enhance the bank's value over a period of three years. The Issuer does not have an exit strategy specifically for the bank because the value will be created by connecting the three core elements of bank, crypto-exchange and the Palladium Blockchain. The strength of the Issuer's model is not singly in each enterprise/project but in the sum of all the constituent parts.

The Issuer is confident that it would be able to identify a bank fitting within the above criteria, which is available for acquisition, within the first six months to 1 year from the date of this prospectus and to obtain the necessary regulatory approvals soon after. This means that in the case where the Issuer will acquire an already existing bank the timeline for such an acquisition to be concluded and regulatory approvals obtained should not be longer than two years from the date hereof. The basis for the indication of a timeline of two years is that the Issuer is not expected to take more than 1 year to identify a bank which it would be able to acquire and regulatory approvals would take a further 1 year to be granted.

The Issuer considers it prudent to, in parallel with sourcing a bank available for an acquisition, put together a business plan and a management team for a new bank to be set up in case it encounters difficulties in sourcing a bank to acquire. The Issuer expects to take around six months to put such a business plan together for submission with the competent authorities.

5.3.4.2 The Crypto Exchange

The crypto exchange is the second fundamental block in the Issuer's plans. There are two reasons why a crypto exchange is required:

1. To segregate fiat and crypto deposits; and
2. To offer a source of fiat-liquidity to crypto asset holders.

Current regulations do not allow banks to hold crypto deposits, and current regulatory proposals indicate that the segregation of crypto from fiat will continue.

The Issuer plans to address this problem by adding a crypto exchange to the Palladium Group. The Issuer will build the crypto exchange using the highest technology standards and to ensure that it can be fully integrated into the Palladium Blockchain Clearing and Settlement Platform. This will allow the Issuer to own a singular, transparent interface to manage assets as if they were held in the same account.

The typical client of the crypto-exchange would be a retail client holding crypto-currencies or wishing to take an exposure in crypto assets. Accordingly anyone interested in trading crypto assets for other crypto assets, or to exchange fiat currency for crypto assets, or vice versa would be the typical client of the crypto exchange. Marketing of the services by the crypto exchange would be done exclusively online through the typical online marketing channels. The crypto-exchange could even advertise its services in its own right without the necessity of integrating the bank in the business model. This would make sense because the Issuer expects to set up or acquire a crypto exchange much faster than the acquisition of setting up of the bank and hence it would not be in the interest of the Issuer to leave the crypto-exchange's operation pending until the bank is acquired. Nevertheless the Issuer would like to stress the importance of having all three elements working together as that would create the unique business model which the Issuer is seeking to achieve.

The crypto-exchange will be developed by the Issuer by obtaining a reference design from one of the top ten crypto-exchanges by volume. The Issuer would then customise the platform in order to connect and integrate it to the Palladium Blockchain once completed.

5.3.4.3 The Palladium Blockchain Clearing and Settlement Platform

While it is perfectly legal to fund crypto brokerage accounts using traditional payment networks, incumbent payment networks such as Master Card and Visa have started blocking payments to crypto exchanges. Major banking groups have also started banning payments to businesses supporting crypto-related companies, and this has made it difficult to fund crypto exchange accounts.

The Issuer will solve this problem by connecting an exchange and a bank, using blockchain technology. This would accomplish two things:

- (i) It would eliminate the need to fund crypto exchange accounts using traditional payment networks, wire, or SEPA transfers. Credits and debits would be recorded between the two companies, ensuring that no fiat ever flows to the bank and no cash ever flows to the exchange; and
- (ii) The permissioned blockchain would prevent incumbents from ever knowing the identity of those transacting between the bank and the exchange, but regulators would be given the full visibility afforded and demanded by the law.

The Palladium Blockchain is expected to be completed by the second to the third quarter of 2020. The Issuer is expecting to take this amount of time to develop the Palladium Blockchain as this will be dependent on the setting up of the crypto-exchange and the bank as it will be critical in order to integrate the two components meaning that it would need to keep in mind the characteristics and typology of both the bank and the crypto-exchange. The Issuer is expected to use its own resources in order to develop the Palladium Blockchain in the sense that the Issuer will not engage a third party in order to customise the Palladium Blockchain but responsibility for customisation will remain with the Issuer's management team and employees with the support of Unikrn. Indeed it should be appreciated that this would be a customised blockchain using IBM Hyperledger Composer and the IBM Hyperledger Fabric. In doing so the Issuer is expected to draw upon the extensive resources which can be provided by Unikrn, one of the holders of the Ordinary A shares in the Issuer which has experience in the development of blockchain solutions including in the development of smart contracts with utility in the e-sports industry.

5.3.5 What Customers Will See

The Issuer's goal is to offer a simple, unified, consolidated view of all of a customer's fiat and crypto holdings. In particular, the Issuer will strive to offer a way to view, analyse, and trade all asset classes from simple consolidated screens. To this end, it is envisioned that clients will be able to view screens very similar to the ones that follow 5.3.5.1, 5.3.5.2, 5.3.5.3 and 5.3.5.4.

5.3.5.1 Consolidated Account View

This screen consolidates a customer's holdings and displays them in a simple table. The customer will choose a base currency (i.e. €), and the systems will perform all conversions to the base currency using prevailing spot rates.

Exhibit 1 Consolidated Account View

Asset	Amount	Price	Value	Base Currency
Bitcoin	1.50 €	10,000.00 €	15,000.00	EUR
Ethereum	5.00 €	700.00 €	3,500.00	
USD	5.00 €	0.84 €	4.20	
EUR	10,000.00 €	1.00 €	10,000.00	
Total			€ 28,504.20	

5.3.5.2 Consolidated Trading Screen

Customers will be offered the ability to buy and sell any asset class trading on the Palladium Blockchain Clearing and Settlement Platform (and potentially others) using the currency of their choice. For instance, a user may want to buy Bitcoin with Euro, and to sell Ethereum and get paid in US dollars. Furthermore, the system will allow standard order types such as market, limit, stop loss and time-in-force (TIF) options such as good-till-cancel (GTC) and day.

Exhibit 2 Consolidated Trading Screen

Trade Side	Asset to Trade	Amt	Pmt Asset	TIF	OrderType	Parameter
Buy	Bitcoin	10	EUR	GTC	Limit	€ 10,000.00
Sell	Ethereum	5	USD	DAY	STP	€ 500.00

5.3.5.3 Consolidated Trade Monitor

Users will be given the ability to track trade execution progress using a simple, consolidated view across all asset classes. The table below illustrates the two example trades from 5.3.5.2. The first trade is half-done at 5 out of 10 units purchased. There has been no progress on the second trade order.

Exhibit 3 Consolidated Trade Monitor

Trade Side	Asset to Trade	Completion	Pmt Asset	TIF	OrderType	Parameter
Buy	Bitcoin	5/10	EUR	GTC	Limit	€ 10,000.00
Sell	Ethereum	0/5	USD	DAY	STP	€ 500.00

5.3.5.4 Consolidated Profit and Loss Statement

Allows the customer to see his or her profit during a given period.

Exhibit 4 Consolidated Profit and Loss Statement

Start of Period Value	€ 100,000	Period Start
Injections in Period	€ 10,000	01/01/2017
Withdrawals in Period	€ 20,000	
End of Period Value	€ 150,000	Period End
Return Over Period	1%	31/01/2017
Annualized Return	12%	

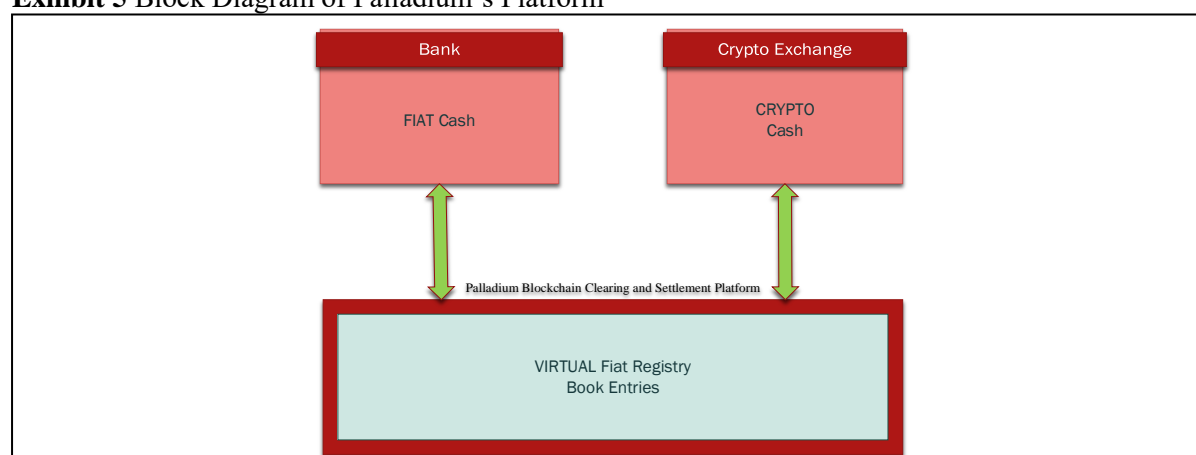
5.3.6 How It Will Work

5.3.6.1 System's Block Architecture

Section “5.3.2 The Custodian Model” explains that the basic idea behind the Issuer’s approach to joint crypto/fiat accounts to consolidate accounts into a single view. To this end, the Issuer’ system will include three fundamental blocks:

1. Bank;
2. Palladium Blockchain Clearing and Settlement Platform; and
3. Crypto Exchange.

Exhibit 5 Block Diagram of Palladium’s Platform



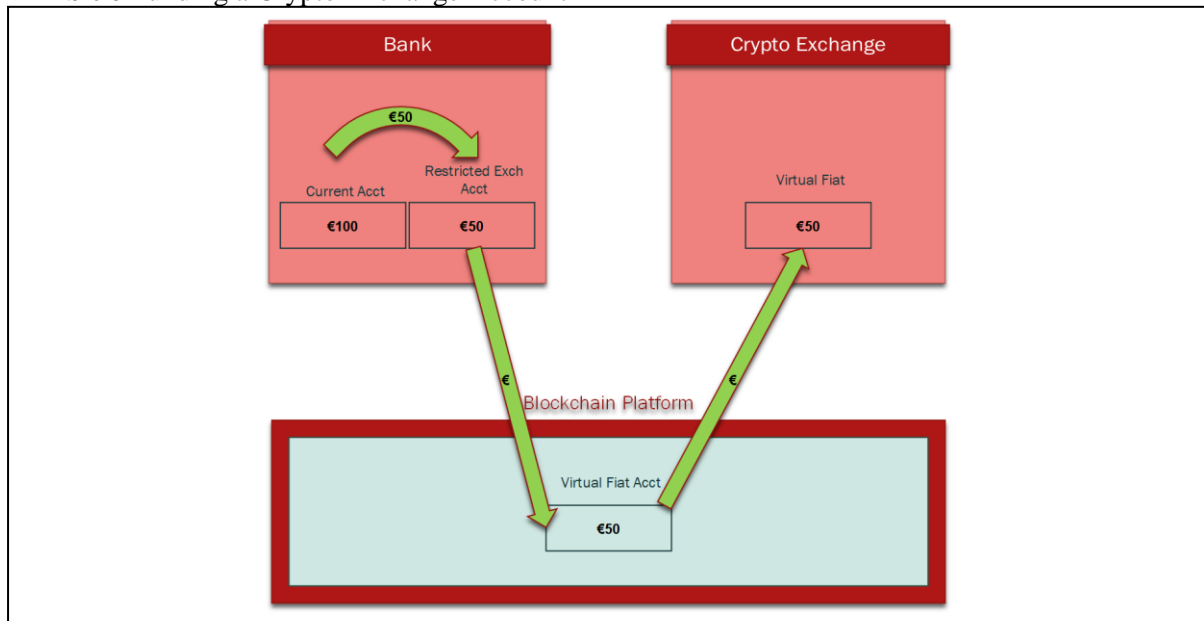
One of the main purposes for Palladium Blockchain Clearing and Settlement Platform is to provide a connection layer between the bank and the crypto exchange and to ensure strict segregation of assets, tamper-proof transaction verifiability, and to provide regulators with near-real-time supervision.

The Issuer will design the Palladium Blockchain Clearing and Settlement Platform as a permissioned blockchain in order to comply with all pertinent regulations. In addition, no personal information will ever be recorded on the Palladium Blockchain Clearing and Settlement Platform to ensure that the issuer complies with GDPR.

5.3.6.2 Funding a Crypto Exchange Account and on the crypto exchange

Exhibit 6 shows how to fund an exchange account. The user restricts an amount of his current, bank account balance. This transaction is reflected immediately on the Palladium Blockchain Clearing and Settlement Platform and on the crypto exchange.

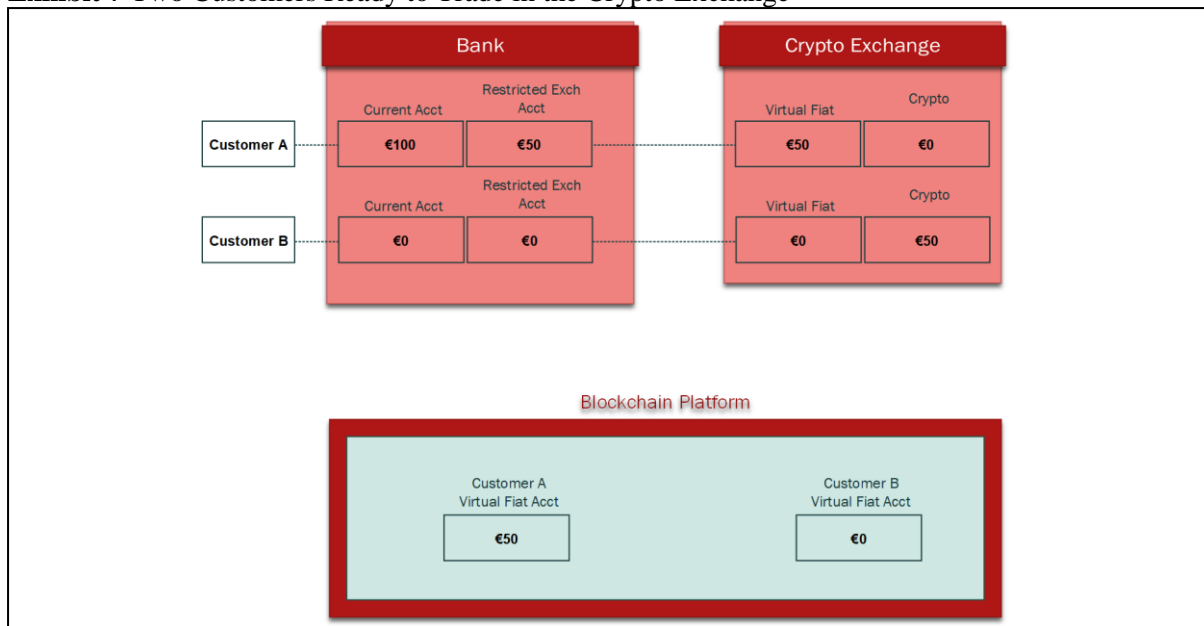
Exhibit 6 Funding a Crypto Exchange Account



5.3.6.3 A Fiat for Crypto Trade

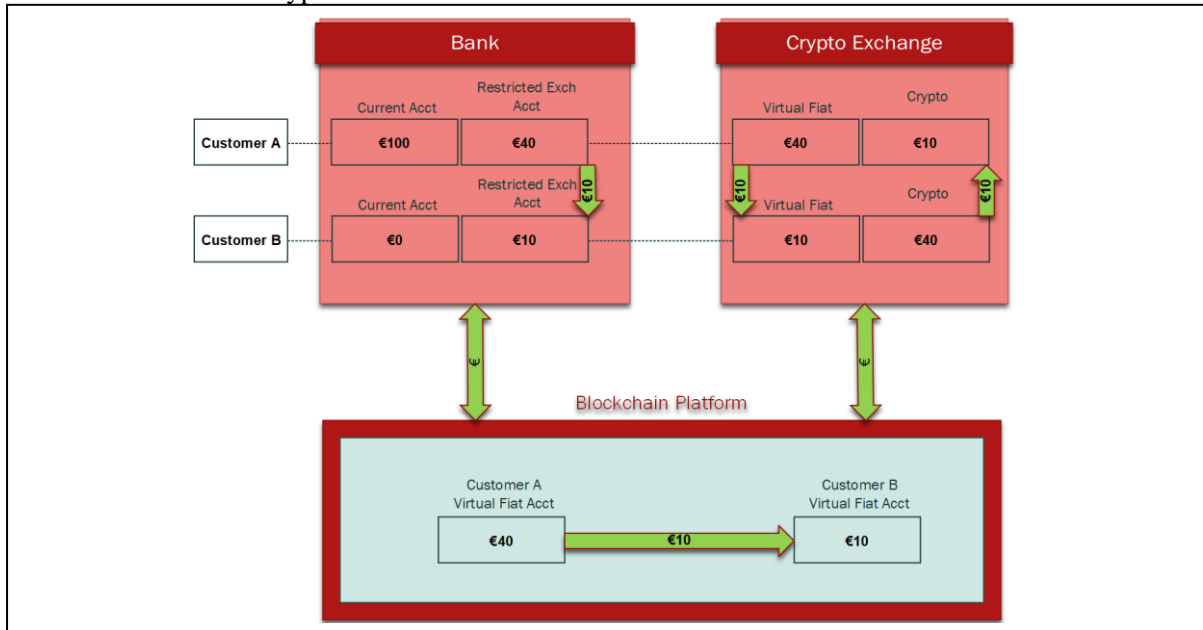
Exhibit 7 illustrates two customers ready to trade on the crypto exchange. Customer A has €50 of virtual credit. Customer B has €50 worth of crypto assets to sell.

Exhibit 7 Two Customers Ready to Trade in the Crypto Exchange



Customer A and B trade €10 in fiat for €10 worth of crypto, and this will be reflected instantly both in the Palladium Blockchain Clearing and Settlement Platform and the restricted fiat accounts at the bank.

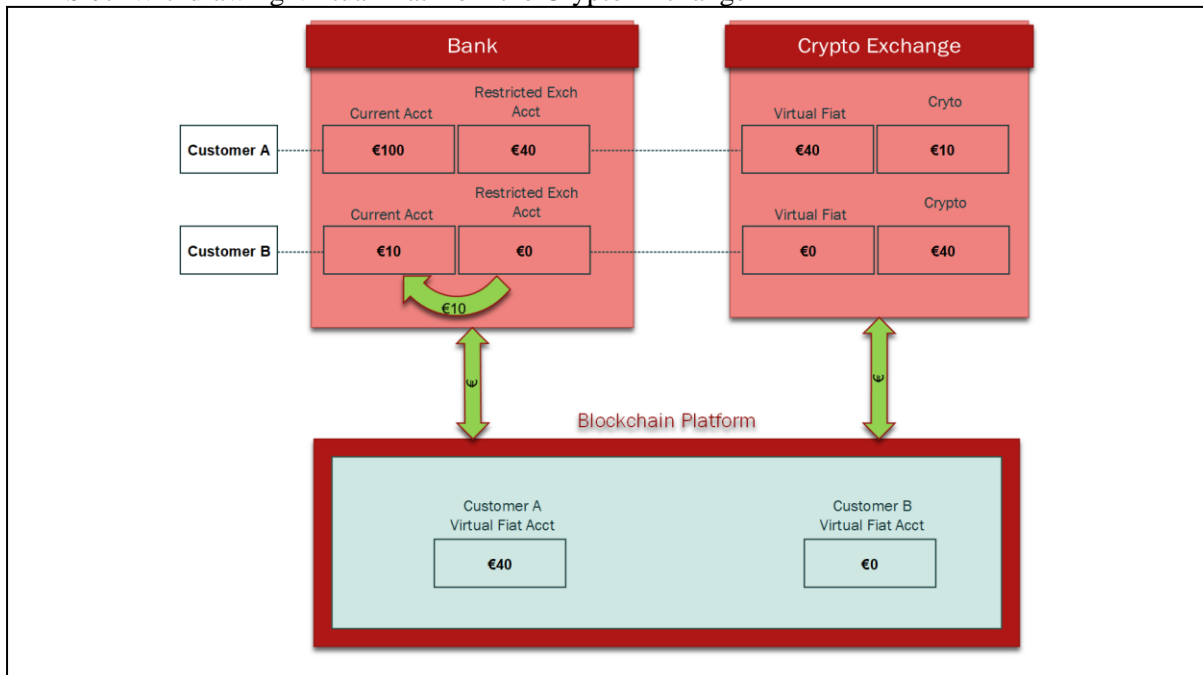
Exhibit 8 A Fiat-for-Crypto Trade



5.3.6.4 Withdrawing Virtual Fiat from a Crypto Exchange Account

Withdrawing virtual fiat cash from the exchange is as simple as reducing the amount of virtual credit available at the crypto exchange.

Exhibit 9 Withdrawing Virtual Fiat from the Crypto Exchange

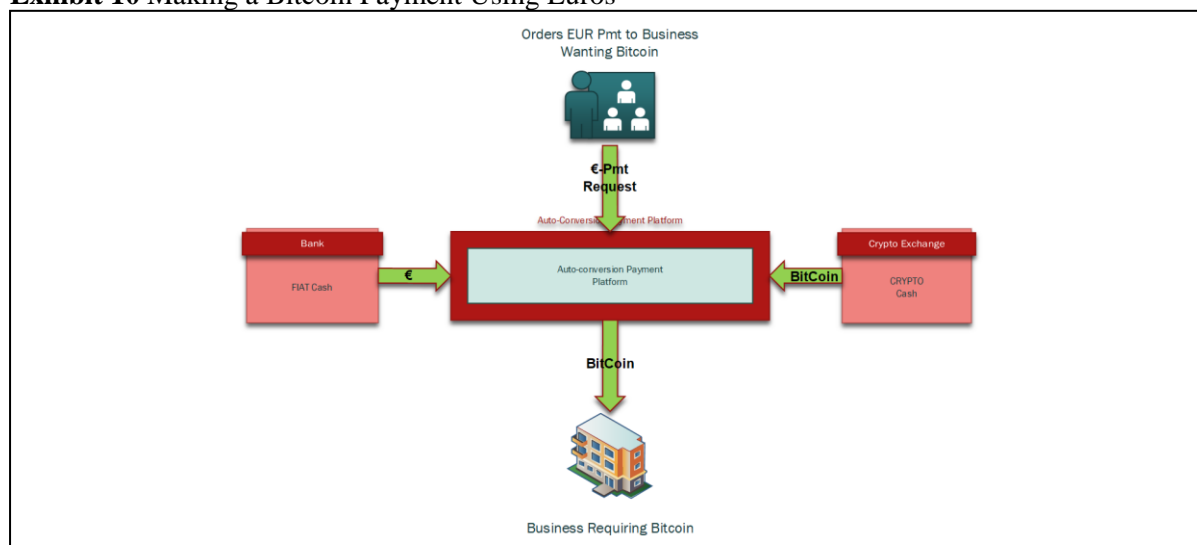


5.3.6.5 Future Goal – To Enable Payments Using ANY Currency

The issuer's ultimate goal is to enable consumers to pay what they need using any currency they choose. To this end,

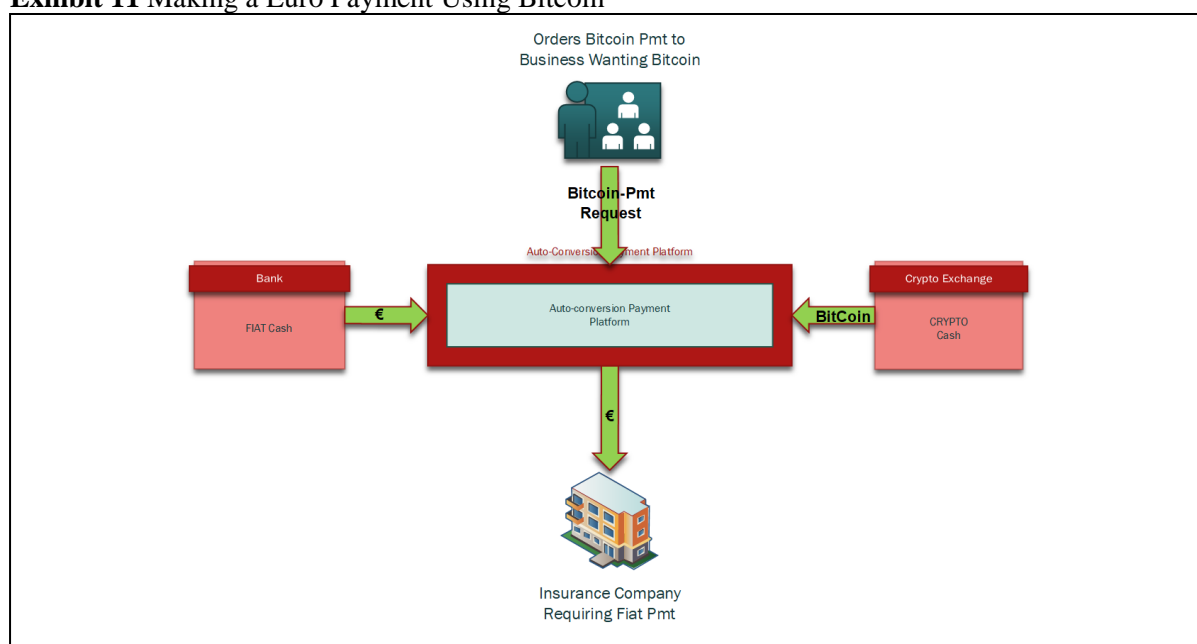
Exhibit 10 shows a customer paying a Bitcoin transaction using Euros

Exhibit 10 Making a Bitcoin Payment Using Euros



The following exhibit illustrates a customer making a payment in Bitcoin to pay a vendor that requires Euro-denominated payments.

Exhibit 11 Making a Euro Payment Using Bitcoin



5.4 SENSITIVITY ANALYSIS

The Issuer is aware that the banks which are available for acquisition or takeover are few particularly in the Eurozone. Furthermore the type of bank which the Issuer would seek to acquire would be of a particular type in the sense that it would be a small or medium sized bank which is technologically oriented or which could be amenable to embrace the use of technology in the provision of banking services. In addition the approval process with the local regulators and with the European Central Bank (in those cases where the particular bank is based in a Eurozone country) is lengthy, arduous and demanding. Accordingly the takeover of a bank might not be an option which is available to the Issuer. It is also important to note that when taking over an already existing bank the acquirer would carry out a detailed due diligence of the bank's business which could give rise to a number of legal or financial issues of a historical nature. Such a due diligence has its risks because it would depend on the target

bank's good faith in disclosing all the documentation and issues in a fully transparent manner enabling the acquirer the opportunity to form its opinion on whether to acquire the bank or not. So the approach of setting up a new bank could, on the one hand, have certain advantages since it would allow the applicant bank to structure its business model with utmost flexibility rather than take over an already existing infrastructure and adjusting it to suit the applicant's requirements and business plan with a high risk of taking over historical issues created under a different management over which the acquirer would have little or no control. On the other hand setting up a bank from scratch would possibly take longer and would also require more attention in putting together an exhaustive proposition for consideration by the competent authorities.

Nevertheless if it is not possible for the Issuer to take over an already existing and licensed bank then the Issuer would look at setting up a new bank which would give rise to similar but also additional challenges to the takeover of a bank. The setting up of a new bank would imply putting together afresh a new management team for the applicant bank and building the applicant bank's business model and infrastructure afresh. The Issuer is confident that in all cases it would be able to put together a solid management team to take charge of the bank and to manage it going forward. The Issuer expects to apply technological processes and arrangements to the banking business thus facilitating customer interaction and increasing efficiency.

The Issuer could also consider entering into an arrangement with a bank or other type of financial institution to which it would allocate a strategic stake in the new banking operation. Sourcing such an investment by an already existing bank could be a challenging proposition however this would remain a possibility in that the type of business model which the bank that the Issuer wants to set up could be appealing to more traditional banks which would want to make a strategic investment in this kind of business which would be complementary to, rather than in competition with, their more conservative banking model.

Another alternative to setting up or acquiring a bank could be the acquisition or setting up of a payment service provider and/or an electronic money institution in a Eurozone country. This would present a less challenging application process but would provide the Issuer with the opportunity to build the infrastructure from an already well regulated base without having to comply with the more detailed banking rules and regulations. The intention would be to eventually build up such a payment provider or EMI to a fully fledged bank over a period of time enabling it to apply new technology developed over a number of years to the banking world. The Issuer envisages this scenario to be the least challenging scenario of all those available however this remains a fall back solution if no bank is found for acquisition or if, for one reason or another, it is not possible to set up a new bank.

As already indicated the Issuer will also set up a crypto exchange. The intention is for the crypto exchange to admit only tokens which do not qualify as security tokens although this intention could be revisited if so permitted by relevant laws. The intention is for the crypto exchange to operate as a VFA exchange in terms of the proposed Virtual Financial Assets Act (the 'Act') and therefore shall only admit DLT assets qualifying as virtual financial assets thereunder. Whereas the operation of a VFA exchange is not currently a licensable activity in terms of Maltese legislation, the Issuer shall apply for a license from the Malta Financial Services Authority immediately upon the coming into force of the Act, in accordance with the provisions of the Act as well as any regulations made or rules issued thereunder. Alternatively the Issuer could also consider either buying an already existing exchange – albeit this would present similar challenges on the due diligence aspects as for the purchase of any other business

– or else enter into a joint venture with third parties and build the exchange from scratch with the cooperation and input of such third parties.

The Issuer plans to build the Palladium Blockchain as a blockchain clearing and settlement system in order to create virtual accounts that connect the bank and the crypto exchange. The preferred course is to implement the Palladium Blockchain by the application of the highly-secure, open-source power of the IBM Blockchain Platform using Hyperledger Composer and Hyperledger Fabric. In any event the Issuer will allocate resources to develop the Palladium Blockchain independently if for some reason it cannot utilize the IBM Blockchain Platform and its services.

As indicated the issue is of up to 150,000,000 Equity Warrants at an Offer Price of Euro1 each implying that the Issuer could raise a maximum of €150,000,000 from this offering. This is a maximum limit and any subscriptions in excess of this limit will be rejected. There is the possibility that the Issuer will raise less than this amount.

Raising of the full amount of €150,000,000 further to this offering

Undoubtedly the raising of the full €150,000,000 would be the Issuer's preferred scenario as this amount of money would provide access to the widest range of banking targets and to acquire or develop the best technological solutions for the other fundamental blocks constituting the Issuer's business plan. In this case the Issuer expects to deploy up to €75,000,000 to acquire a bank of optimal size and upgrade its systems. How much to deploy on the purchase the bank would depend on how expensive it would be to upgrade the bank's technology systems. The baseline scenario is that €50,000,000 would be spent on acquiring the bank and €25,000,000 in upgrading its systems. In case of the Crypto Exchange the Issuer's research suggests it would need to spend approximately €30,000,000 to buy a crypto exchange or set it up from scratch. An additional €22,500,000 would be required, mainly in salaries and technology licensing, to develop the *Palladium Blockchain Clearing and Settlement Platform*.

Strategic Investments – The issuer would require approximately €22,500,000 to procure companies providing technologies that are critical for the implementation of the business plan. For example, PDS2 integration software would be required to create a unified, singular interface. In addition, the Issuer would require the acquisition of a blockchain-based clearing and settlement platform. If the Issuer were unable to procure these elements in the market, the issuer would be forced to assemble a team to build these from scratch, and €22,500,000 would be sufficient to complete the project over the course of several years albeit during 2020.

Raising of €100,000,000 further to this offering

In the event that the Issuer raises up to €100,000,000 then this would still represent a sufficient amount of capital to pursue banks of optimal size, but it would restrict somewhat the number of features the platform could support when it launches. In such a scenario the Issuer would deploy up to €50,000,000 to acquire a bank and upgrade its systems. In this case the baseline scenario is that €25,000,000 would be spent on acquiring or setting up the bank and €25,000,000 to upgrade its systems. Furthermore in this scenario the budget for setting up or acquiring a crypto exchange would not exceed €20,000,000 with an additional €15,000,000 required to pay salaries and purchase technology licenses in order to develop the *Palladium Blockchain Clearing and Settlement Platform*.

Strategic Investments – In this scenario the Issuer would require approximately €15,000,000 to procure companies providing technologies that are critical for our project. For example, PDS2 integration software would be required to create our unified, singular interface. In addition, the issuer would require the acquisition of a blockchain-based clearing and settlement platform. If the issuer were unable to procure these elements in the market, the issuer would be forced to assemble a team to build these from scratch, and €15mm appears to be sufficient to complete the project over the course of several years, but in any event by not later than 2020.

Raising of up to €50,000,000 further to this offering

Raising not more than €50,000,000 is the smallest amount that would allow the Issuer to execute the business plan to its fullest extent without compromising on the range of services which can be provided by the bank or the crypto-exchange which will be operated by the Issuer's subsidiaries. In this case the Issuer would deploy up to €25,000,000 to acquire a bank and upgrade its systems. It is expected that as a baseline scenario the Issuer would spend €15,000,000 to set up or purchase the bank and €10,000,000 to upgrade its systems. In this scenario the Issuer would allocate approximately €12,000,000 to buy or set up a crypto exchange from scratch. An additional €6,750,000 would be required to develop the *Palladium Blockchain Clearing and Settlement Platform*.

Strategic Investments – In this scenario the Issuer would apply approximately €7,500,000 to procure companies providing technologies that are critical for the Business Plan.

The business plan of the Issuer can still be implemented in the scenarios described above however, depending on the monies raised, the purview and extent of the various projects would reduce depending on how much money is available for investment. So, for example, the services which the bank and the crypto exchange would be able to offer to customers would be extensive and a near one stop shop in the event that there is a substantial amount of funds available for investment. On the other hand the less funds which are available for investment the more restricted will be the business of the bank and the crypto-exchange which will be acquired or set up, and the more restricted will be the *Palladium Blockchain Clearing and Settlement Platform*.

Raising of up to €10,000,000 further to this offering

Smaller amounts down to €10mm of capital raised from the offering would still allow the Issuer to reach its goals, but in such case the Issuer would need to strike licensing agreements and JVs instead of attempting to control all three fundamental blocks. In such a case the Issuer would not actually acquire or set up a bank or a crypto-exchange but would instead enter into alliances and ventures with third parties with whom it would endeavour to offer customers the same solutions which the Issuer could implement on its own if it acquires or sets up its own bank and crypto-exchange and develops the Palladium Blockchain.

6. ORGANISATIONAL STRUCTURE

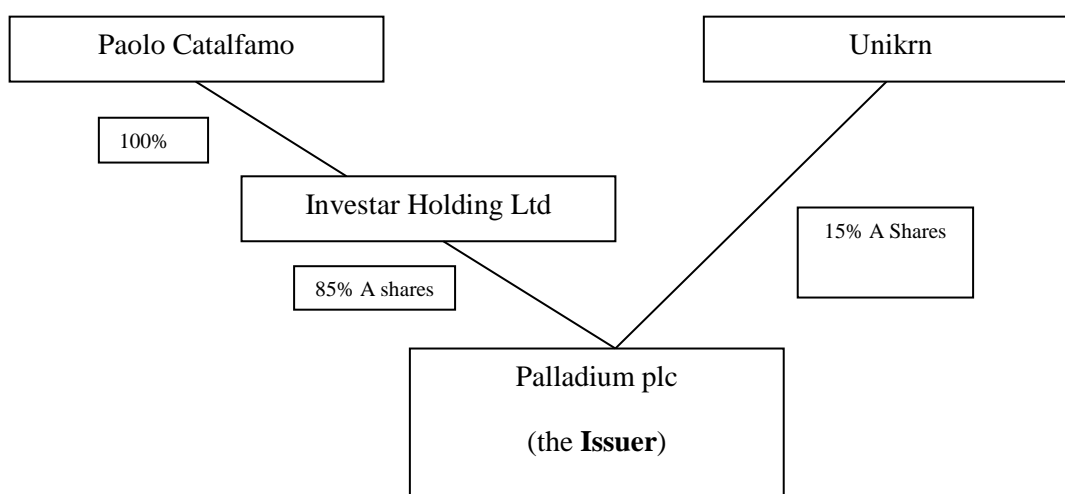
6.1 INVESTAR HOLDING LTD.

The majority shareholder in the Issuer is Investar Holding Ltd, which is in turn, wholly-owned by Prof. Paolo Catalfamo.

Investar Holding Ltd is a vehicle founded expressly to hold Prof. Catalfamo's stake in the Issuer.

Unikrn is an esports betting company, based in Las Vegas, Nevada. The persons who currently hold 5% or greater ownership interest in Unikrn are Mr. Rahul Sood (holder of 28% of the shares in Unikrn), Mr. Karl Flores (holder of 23% of the shares in Unikrn) and BN Capital Fund I, L.P. (holder of 15% of the shares in Unikrn).

Exhibit 12 Investar Holding Ltd Group Structure



7. PROPERTY, PLANT AND EQUIPMENT

7.1 THE HEADQUARTERS

The Company is headquartered at Global Capital p.l.c. building, 2nd Floor, Testaferrata Street, 2nd Floor, Ta' Xbiex XBX 1403, Malta. The Company does not own any property, equipment or machinery. The Company will have its own offices and will not be sharing or utilising any of the resources of Global Capital p.l.c. or members of its group of companies.

8. CAPITAL RESOURCES

The Issuer's capital resources currently comprises of its share capital, consisting of €50,000 divided into 50,000 Ordinary A Shares of €1 each, fully paid up.

The Issuer expects to raise as much as €150,000,000 of capital through the issuance of the Equity Warrants. The Issuer does not expect that it will require any further capital to be injected to implement the Business Plan.

Other than as stated in this Prospectus, the Issuer has no other restrictions on its use of capital. The Issuer will utilize the capital raised by means of the issue of Equity Warrants as detailed in 17.3 REASONS FOR THE ISSUE AND USE OF PROCEEDS.

The Issuer requires significant funding to achieve the goals set out in its Business Plan. Most of the capital required by the issuer will come from the proceeds of the issue of the Equity Warrants.

9. TREND INFORMATION

During the course of 2020, the Issuer expects to complete the approval process and acquisition of a bank satisfying the criteria set out in this Prospectus.

10 PROFIT FORECASTS OR ESTIMATES

The Prospectus does not contain any profit forecast or estimates. The Issuer is considered to be a start-up company and has opted not to include such profit forecasts or estimates as permitted by the ESMA Update to the CESR Recommendations of the 20 March 2013 on the consistent implementation of

Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive. Furthermore the Issuer did not have any historical financial information which it could refer to whereas the business model which it wishes to implement is innovative. Accordingly the Issuer is of the view that it is prudent not to include such profit forecasts or estimates as these could be speculative and misleading.

11 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

11.1 THE BOARD

As at the date of this Prospectus, the Board of Directors is composed of the persons detailed in the section below. Their business address is that of the Issuer.

Name	Year when first appointed
Prof. Paolo Catalfamo – Chairman	2018
Mr. Gregory McGowan	2018
Mr. Joseph del Raso	2018
Mr. Brian Jamieson	2018
Mr. Rahul Sood	2018

The current term of office of the Directors listed above commenced on the date of incorporation of the Issuer and shall end at the closure of the next annual general meeting as per the provisions of the Articles of Association of the Issuer.

The Company Secretary of the Issuer is Ganado Services Limited. Ganado Services Limited is (formerly Phax Services Company Limited), is a private limited liability company, having its registered office at 171, Old Bakery Street, Valletta, VLT 1455, Malta, and is a service company of GANADO Advocates in Malta. It is licensed by the MFSA as a Company Service Provider in terms of the Company Service Providers Act (Cap. 529 of the laws of Malta).

11.1.1 Curriculum Vitae of the Directors

Paolo Catalfamo, Chairman

Prof. Paolo Catalfamo is the founder of Investar, based in Malta, Luxembourg, Switzerland and the US, and Adjunct Professor at the Villanova School of Business in Philadelphia. He serves as Chairman of Global Capital Plc, a financial conglomerate listed on the Malta Stock Exchange. He is also Chairman of Global Capital Life Insurance Ltd, Chairman of Global Capital Health Insurance Ltd and Chairman of Global Capital Financial Management Ltd, all regulated by the Malta Financial Services Authority. He's a Board Member of Centtrip Ltd, a London-based fintech company regulated by the UK Financial Conduct Authority. Previously, he served as Deputy Chairman and CEO for Italy and Southern Europe of Franklin Templeton, the world's third largest independent asset management group.

Rahul Sood

Mr. Rahul Sood is the CEO and Co-Founder of Unikrn, a Seattle, WA based gaming and eSports betting company. Previous to Unikrn, Sood joined Microsoft in January 2011. He created the Bing Fund, Microsoft's first ever incubation fund for startups, and eventually Microsoft consolidated its global startup activities under Sood's leadership. In June 2013, he launched Microsoft Ventures. A serial entrepreneur, Sood spent 18 years in multiple startups prior to joining Microsoft. He founded luxury and gaming computer manufacturer Voodoo PC, which was acquired by Hewlett-Packard.

Brian Jamieson

Mr. Jamieson is the co-founder and CEO of Centtrip Limited, a multi-award winning FCA regulated financial technology company based in London, providing alternative banking and treasury management solutions for international business and private wealth clients. Previously, co-founder and Head of Introductory Brokerage & Marketing of Schneider Foreign Exchange Ltd (now Monex Europe), one of Europe's most successful corporate deliverable foreign exchange brokers. Served in the Royal Air Force within the Tactical Communications Wing and Systems Development Centre. He is also co-owner of London based, top 50 in Europe ranked restaurant, 108 Garage.

Joe Del Raso

Dr. Joseph 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 chairs the firm's Italian Desk and a practice leader for mutual funds of the firm's Funds Services Practice Group. Prior to legal practice he worked at the United States Securities Exchange Commission.

Greg McGowan

Gregory E. McGowan joined Templeton in 1986 until his resignation in 2016 and held various senior appointments, including Executive Vice President, Director and General Counsel of Templeton International, Inc. Mr. McGowan served on various Templeton boards of directors, including, among others Templeton Investment Counsel LLC. In addition, he presently serves as an Independent Trustee on the Board of Brinker Capital Destinations Trust, a U.S. mutual fund registered under the Investment Company Act of 1940 and an Independent Member of the Board of Directors of Global Capital Plc, a Maltese Corporation. Prior to joining the Templeton organization, Mr. McGowan was a senior attorney for the United States Securities and Exchange Commission.

11.1.2 Private Interests held and Potential Conflicts of Interest

No director will hold shares in the Issuer directly at the time of Issuer's incorporation.

Prof. Catalfamo is the majority owner of Investar Holding Ltd which holds 42,500 Ordinary A Shares (or 85% of the Ordinary A Shares at the time of the Issuer's incorporation).

Mr. Sood is one of the shareholder (but not a majority shareholder) of Unikrn which holds 7,500 Ordinary A Shares (or 15% of the Ordinary A Shares at the time of the Issuer's incorporation).

In view of the above roles and position, Prof. Catalfamo and Mr. Sood may be subject to conflicts of interests as indirect shareholders and their position as Directors of the Issuer.

No shareholder is entitled to any automatic right to nominate or appoint a director on the Board.

The above disclosed shareholding and association with companies holding a direct or indirect interest in Palladium may give rise to conflicts of interests which are managed by the Issuer in terms of section 11.1.3 below. 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.

Furthermore, as at the date of this Prospectus, none of the Directors held any share options in the Company albeit they may be included as Management and receive an allocation of equity warrants for no consideration on the same terms and conditions as the Equity Share Warrants.

11.1.3 Managing Conflicts of Interests

While the overall tone for instilling a strong culture about the proper management of conflicts of interest is set at the top, situations of potential conflicts of interest with Board members are in the first instance specifically regulated by the Companies Act and by clauses 110 and 111 of the Issuer's Articles of Association. In terms of the Articles of Association, whenever a conflict of interest situation, real or potential, arises in connection with any matter, the interest has to be declared.

In particular, the Director concerned refrains from taking part in proceedings relating to the matter and his vote is excluded from the count of the decision. The minutes of Board meetings, as well as those of Board Committees, invariably include a suitable record of such declaration and of the action taken by the individual Director concerned. Similar arrangements apply to management in the course of the conduct of their duties at Board Committees.

11.1.4 Loans to Directors

As at the date of this Prospectus, there are no loans outstanding by the Issuer to any of its Directors, or any guarantees issued for their benefit by the Issuer.

11.2 BOARD COMMITTEES

Palladium's Articles of Association establish that the Directors may delegate certain powers, authorities and discretions to any person and/or Committee appointed by them. The composition of such Committees, is decided upon by the Board.

Accordingly, the Board has established the following committees:

- Remuneration and Nominations Committee;
- Audit Committee; and
- Investment Committee.

11.2.1 Remuneration and Nominations Committee

The Remuneration and Nominations Committee acts as the delegated authority by the Board in overseeing the nomination of executives and approving their remuneration. The members of the Remuneration and Nominations Committee as of Record Date are the following:

1. Mr. Rahul Sood, Chairman;
2. Prof. Paolo Catalfamo; and
3. Mr. Gregory McGowan.

11.2.2 Audit Committee

The Audit Committee acts as the delegated authority by the Board in reviewing and approving the issuer's financial reports and supervising the external audit function. The terms of reference of the Audit Committee include, in summary:

- a) the monitoring of the financial reporting process, including the interim and annual audited and consolidated financial statements;
- b) the monitoring of the effectiveness of the Issuer's internal control structure, internal audit function, risk management systems and governance framework;

- c) acting as the principal point of contract between the internal auditors, the statutory auditors and the Board of Directors in order to ensure that in addition to having an effective working relationship with the management, both internal and statutory auditors are guaranteed free access to the Board of Directors;
- d) the monitoring and reviewing of the statutory auditor's independence, and its performance;
- e) the reviewing of the Issuer's transactions with related parties; and
- f) the review of the adequacy and effectiveness of the Issuer's compliance function, and MLRO duties and the review of their performance.

The members of the Audit Committee as of the Record Date are the following:

- 1. Mr Joseph Del Raso, Chairman;
- 2. Mr. Pablo Perez; and
- 3. Mr. Brian Jamieson.

11.2.3 Investment Committee

The Investment Committee acts as the delegated authority by the Board in evaluating and approving investments. The Investment Committee is charged with the supervision and approval of the major investments made the company provided that major investments will be ultimately also approved and endorsed by the Board. Moreover, the Investment Committee may invest the capital raised pursuant to this issuance of Equity Warrants (before the capital is deployed according to the Business Plan) in accordance with the section below entitled Reasons for the Issue of Equity Warrants and Use of Proceeds.

The members of the Investment Committee as of the Record Date are the following:

- 1. Mr. Gregory McGowan, Chairman;
- 2. Mr. Pablo Perez and
- 3. Prof. Paolo Catalfamo.

11.3 EXECUTIVE MANAGEMENT

The executive management will be the following:

- Prof. Paolo Catalfamo CEO;
- Dr. Pablo A. Pérez-Fernández, CFO;
- Mr. Paventhan Savunthararasa, COO; and
- Mr. Daniel Rudolf, CTO.

11.3.1 Curriculum Vitae of Executive Management

As at the date of this Prospectus, the executive management of both the Issuer and the Group is composed of the following:

Paolo Catalfamo, CEO

See Prof. Catalfamo's biography in the section above.

Pablo Pérez-Fernández, CFO

Dr. Pablo Pérez-Fernández holds a Ph.D. in applied mathematics from the University of California at Los Angeles and a Bachelor's degree in pure mathematics from Yale University. Prior to Global Capital, he directed the quantitative research and structuring group at a Dutch asset manager. Dr. Pérez-Fernández was previously the CEO of a US, publicly traded software company. He spent over a decade in Wall Street in various senior research positions, advising some of the largest asset managers in the world on telecommunications and other technology investments. Dr. Pérez-Fernández started his career at Raytheon Systems Company, where he was literally a rocket scientist working on classified military projects.

Paventhan Savunthararasa, COO

Mr. Paventhan Savunthararasa is the founder and managing partner of Blue Stone Management, an international business process outsourcing company with operations in London and Colombo. In 2013, he was a part of the Camper & Nicholsons International acquisition and served on the board of directors. In 2010, he became the Chief Operating Officer of Generation Group in London, where he co-founded and was Director General of CMC SA (WAFM) in Cameroon. Paven started his finance career in the New York office of Swiss family office Unifund. Paven has worked internationally in the US, UK, Switzerland, Sri Lanka, and Malta for over 15 years, focusing in financial operations, as well as trading and research.

Daniel Rudolph, CTO

Mr. Daniel Rudolph has been working with Rahul Sood since 2008, creating the first-ever skill betting platform for video games, PlayAll. Daniel's computer science history spans nearly three decades after he began developing backend systems for banks and insurance companies when he was 16 years old. Rudolph also helped Fintech company CrossLend to build a Bitcoin Exchange together with a small German bank. As CTO of Unikrn, he led the development team that made UnikoinGold – the largest token in esports and gaming – a reality. He is always focused on enabling products and ideas and driving innovation. Rudolph is the last line of defense delivering reliable and scalable operations, and connecting a distributed team.

11.3.2 Private Interest of Executive Management and Executive Share Option Schemes

Insofar as the executive management is concerned, as at Record Date no shares or share options are held directly by the members of executive management albeit they may be included as Management and receive an allocation of equity warrants for no consideration on the same terms and conditions as the Equity Share Warrants.

11.4 REMUNERATION AND BENEFITS OF DIRECTORS AND EXECUTIVE MANAGEMENT

The Annual General Meeting of shareholders approves the maximum annual aggregate remuneration which the Directors may receive for the holding of their office.

None of the Directors is on a contract of service with the Issuer. Other than as provided herein, no Director is entitled to profit sharing, share options or pension benefits from the Issuer. The members of the executive management are employed under an indefinite contract of service.

Annual compensation for the directors of the Issuer has been set at €20,000 for each director per annum.

Annual compensation for management of the Issuer has been set at €100,000 for each of the members of the management team which will be made up of the following persons:

- Prof Paolo Catalfamo, CEO
- Dr. Pablo A. Pérez-Fernández, CFO
- Paventhan Savunthararasa, COO
- Daniel Rudolf, CTO

Directors, managers, executives and employees of the Company may be included within the term Management as defined herein and accordingly could be given an amount of equity warrants for no consideration at the discretion of the Company. The total amount of equity warrants available for distribution to Management is 80,769,231 which are convertible into Ordinary B Shares on the same terms and conditions as the Equity Warrants. For the avoidance of doubt the equity warrants available for distribution to Management shall be in addition to the 150,000,000 Equity Warrants which are being issued in terms of this Prospectus.

11.5 CORPORATE GOVERNANCE

The Issuer does not comply with any specific corporate governance regime as there is no mandatory corporate governance regime that the Company is required to comply with under Maltese law.

11.6 DECLARATION

None of the above members of the Board and management has:

- a) any convictions in relation to fraudulent offences for at least the previous 5 years;
- b) been associated with any bankruptcies, receiverships or liquidations for at least the previous 5 years;
- c) been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous 5 years.

12 NO BENEFITS UPON TERMINATION

None of the members of the administrative, management or supervisory bodies' service contracts with the Issuer provide for benefits upon termination of employment of the respective contract.

13 MAJOR SHAREHOLDERS

The following shareholders hold in excess of five per cent of the Issuer's share capital at the date of this Prospectus:

Company/Shareholder	Number of Shares	Percentage Holding
Investar Holding Limited	42,500	85%
Unikrn	7,500	15%
Total	50,000	100%

14 FINANCIAL INFORMATION

14.1 DIVIDEND POLICY

The Issuer may, in accordance with Articles 124 to 133 of the Articles of Association, pay 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 Issuer.

15 ADDITIONAL INFORMATION

15.1 SHARE CAPITAL

The current authorised share capital of the Company is €58,769.230778 divided as follows:

Share Class	Nominal Value	Number of Shares	Share Capital
A	€1	50,000	€50,000
B	€0.000038	230,769,231	€58,769.230778
		230,819,231	€58,769.230778

The Ordinary B Shares will be issued on the Conversion Date, upon conversion of the Equity Warrants into Ordinary B Shares as described in this Prospectus.

15.2 ADDITIONAL INFORMATION RELATING TO THE CAPITAL OF THE ISSUER

Other than the Equity Warrants to be issued by means of this issuance of Equity Warrants, as described in this Prospectus, and the 80,769,231 equity warrants which will be allocated to Management, there are no convertible securities, exchangeable securities or securities with warrants in relation to Shares in the Issuer.

15.3 MEMORANDUM AND ARTICLES OF ASSOCIATION

The following is a summary and explanation of the current Memorandum and Articles of Association, which are available for inspection as set out in section 16 of this Prospectus.

15.3.1 Objects

The objects of the Issuer are to:

- (a) To act as holding company and invest, subscribe for, acquire, hold, dispose of or otherwise deal in all kind of securities including shares, participation, investments, interest and debentures in any other company, corporations, entities, partnership, joint venture, business any other body of persons and to manage and administer any of the aforementioned property or any property permitted by law.
- (b) To own, manage and in any way dispose of trademarks, patents and other intellectual property and property rights.
- (c) To invest, hold and trade own funds in portfolio investments and all sorts of securities in whatsoever currency including but not limited to bonds, convertibles, preference and ordinary shares, equities, collective investment schemes, equity traded funds, traded commodities, forwards, futures, options and derivatives.
- (d) To derive income from anywhere in the world and to receive foreign income from the trading activities specified under this objects section that fall to be allocated to the company's Foreign

Income Account in terms of relevant provisions of the Income Tax Act Cap.123 of the Laws of Malta, and to claim the Flat Rate Foreign Tax Credit (FRFTC) on such foreign income in terms of the relevant provisions of the said Act or of any other applicable Maltese legislation relating to income tax including new amendments that may, from time to time, be enacted.

- (e) To purchase or otherwise acquire under any title whatsoever all types of property immovable or immovable, corporeal or incorporeal, or any interest therein, by any tenure or title and to hold, improve, develop, construct, enlarge, extend, alter, maintain, transfer, sell, convey or otherwise dispose of such property or any interest therein as shall from time to time be expedient.
- (f) To let, whether furnished or unfurnished, whether as principals or agents, any immovable property of the Company;
- (g) To sell, lease, hypothec or otherwise dispose of the whole or any part of the property or assets of the Company
- (h) To act as finance company for its subsidiaries and affiliates within the same group, and for this purpose to borrow, lend and advance moneys and to give and receive credit to and from such companies in any manner and on such terms as may be considered expedient.
- (i) To borrow or raise money without any limit whatsoever in connection with the Company's business, and secure the payment of such monies borrowed by issue of debentures or in such other manner as the Company may think fit, and for the purpose aforesaid to charge or hypothecate all or any of the Company's property or assets, present and future including its uncalled capital.
- (j) To lend and advance money or give credit to any person or company and to secure, without limit, any debt or obligation of any third party, including, if deemed appropriate, by granting hypothecary or other forms of security over the Company's assets;
- (k) To apply for, promote and obtain any privilege, concession, licence or other authorization or right from any Government or other authority for enabling the Company to carry any of its objects into effect or for any purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company.
- (l) To enter into any arrangements with any governmental authority, or other constituted authority, person or company, and to obtain there from any rights, privileges, contracts, licences and concessions which the Company may think it is desirable to obtain and to carry out, exercise and comply therewith.
- (m) To sell or otherwise dispose of the business, undertaking, assets or property of the Company, or any part thereof, for such consideration of the Company may think fit, and in particular for shares, debentures or securities of any other company.
- (n) To invest in and hold accounts with any financial institution, stocks, shares or other negotiable instrument and turn same to the account of the Company.
- (o) To distribute among the members in specie, any property of the Company or any proceeds of sale, disposal or realization of the property of the Company.
- (p) To provide and carry on any other services or business within the scope of the present objects which can be advantageously carried on by the Company in connection with or as ancillary to the general business of the Company as above described and to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Company.

15.3.2 Directors

- (a) The administration and management of the Company shall be vested in the Board of Directors.
- (b) All Directors shall be individuals.
- (c) The Board of Directors shall be elected on an individual basis by ordinary resolution in general meeting.
- (d) An election of Directors shall take place at every annual general meeting of the Company.
- (e) The Company shall give at least fourteen (14) days' notice to members to nominate candidates for the election of Directors. All nominations proposing a person for election as a Director as well as the latter's acceptance to be nominated as Director must be received by the Company not later than fourteen (14) days after the date of the notice calling for such nominations.
- (f) In the event that there are as many nominations as there are vacancies or less, no elections will take place and those nominees will automatically be elected as Directors.
- (g) A person shall not be qualified for appointment or hold office as Director if:
 - (i) he is interdicted or incapacitated; or
 - (ii) he becomes bankrupt or makes any arrangement or composition with his creditors, generally; or
 - (iii) he has been convicted of any of the crimes affecting public trust or theft or of fraud or of knowingly receiving property obtained by theft or fraud; or
 - (iv) he is generally precluded from doing so under the provisions of the Companies Act or other applicable law.
- (h) The Company may, in accordance with article 140 of the Companies Act, remove a Director by ordinary resolution taken at a general meeting at any time prior to the expiration of his term of office.
- (i) Without prejudice to the provisions of the Act, the office of a Director shall *ipso facto* be vacated:
 - (a) if, by notice in writing to the Company, he resigns from the office of Director; or
 - (b) if he absents himself from the meetings of the Directors for six (6) consecutive meetings without leave of absence from the Directors and the Directors pass a resolution that he has, by reason of such absence, vacated office; or

- (c) if he is prohibited by law from being a Director; or
- (d) if he is removed by ordinary resolution from office pursuant to, or otherwise ceases to be a Director by virtue of, the Companies Act; or
- (e) if he becomes of unsound mind, or is convicted of any crime punishable by imprisonment, or declared bankrupt during his term of office.

A Director's vacation of office pursuant to this Article shall take effect immediately upon the occurrence of any of the foregoing grounds for vacation. Following such vacation of office a resolution of the Directors declaring a Director to have vacated office as aforesaid shall be conclusive as to the fact and the grounds of vacation stated in the resolution.

- (j) Any vacancy among the Directors may be filled by the co-option of another person to fill such vacancy to be made by the Board. Any person appointed to fill a causal vacancy shall hold office only until the next annual general meeting and will be eligible for re-appointment.
- (k) In the event that at any time and for any reason the number of Directors falls below the minimum number established by the Memorandum of Association, notwithstanding the provisions regulating the quorum, the remaining Directors may continue to act notwithstanding any vacancy in their body, provided they shall with all convenient speed, and under no circumstances later than three (3) months from the date upon which the number of Directors has fallen below the minimum, convene a general meeting for the sole purpose of appointing the Directors.
- (l) The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board or any committee of the Board or general meetings of the Company or in connection with the business of the Company. Such expenses shall not be deemed to form part of the Directors' emoluments.
- (m) Any remuneration paid to any Director by virtue of his holding a salaried office with the Company (whether permanent, temporary, direct or on secondment) shall not be deemed to form part of such Director's emoluments.
- (n) If any Director, being willing, shall be called upon to sit on any committee or working group of the Company or to perform other services related to the operations of the Company but which fall outside the scope of the ordinary duties of a Director, the Company may remunerate such Director, as may be determined by the Board, in addition to or in substitution of his remuneration as Director, provided such payments fall within the limit of aggregate emoluments of Directors established by the general meeting pursuant to these Articles.
- (o) The Directors may hold such other office with the Company apart from the office of director, and be remunerated for that office, as the Board may from time to time determine.

- (p) A Director shall not be required to have a shareholding qualification and a Director shall be entitled to attend and speak at general meetings of the Company, but shall not be entitled to vote thereat other than in his capacity as a Member, if applicable.

15.3.3 Classes of Shares

The Company currently only has Ordinary A Shares in issue.

Ordinary B Shares shall be issued on the Conversion Date, at the option of the Equity Warrant Holders who decide to convert their Equity Warrants into Ordinary B Shares.

15.3.4 Variation of Rights

The rights attached to any class of shares, as is currently in force, or other classes of shares that may be created in the future may only be varied with the consent in writing of the holders of not less than 75% of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class.

15.3.5 Annual and other General Meetings

- (a) Subject to the provisions of the Companies Act, the annual general meetings of the Company shall be held at such time and place as the Directors shall appoint.
- (b) All general meetings other than annual general meetings shall be extraordinary general meetings.
- (c) The Directors may convene an extraordinary general meeting whenever they think fit. Extraordinary general meetings may also be convened on such requisition, or in default, may be convened by such requisitionists as provided by article 124 of the Companies Act. If at any time there are not sufficient Directors capable of acting to form a quorum, any Director, or any two members of the Company, may convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors.
- (d) The Directors shall meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they deem fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. A Director may, and the secretary of the Company on the requisition of a Director shall, at any time summon a meeting of the Directors.
- (e) The quorum necessary for the transaction of business shall be a majority of the Directors appointed to the Board, present in person or by their alternate director.
- (f) Notice of every meeting of the Board shall be given to all Directors and, save as hereinafter provided, shall in no case be of less than seven (7) days. Notice of meetings of the Board to any Director for the time being absent from Malta or residing abroad, shall be given at such address as such Director has informed the Company. The foregoing notice requirement may be waived by a decision of all Directors entitled to receive notice and vote at a meeting of the Directors.

- (g) If at any time the Chairman is not present within thirty (30) minutes after the time appointed for the commencement of proceedings of the meeting, the Deputy Chairman shall chair the meeting. In the absence of both the Chairman and the Deputy Chairman the Directors may choose one (1) of their number to chair the meeting.
- (h) A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. Several distinct copies (including facsimile copies) of the same document or resolution signed by each of the members or directors shall when placed together constitute a single writing for the purposes of this Article.
- (i) The Directors shall cause proper minutes to be made of all general meetings of the Company and also of all appointments of officers and of the proceedings of all meetings of Directors and committees, and of the attendances thereat, and all business transacted at such meetings.

16 REFERENCE DOCUMENTS

The following Reference Documents are incorporated by reference into this Prospectus and are available for inspection at the Issuer's registered office for the duration of the Prospectus and on the Issuer's website (www.palladium46.com):

- The Memorandum and Articles of Association.

17 ESSENTIAL INFORMATION

17.1 CAPITALISATION AND INDEBTEDNESS

17.1.1 Capitalisation and Indebtedness of Palladium

The Issuer has capital of entrepreneur50.000 and no debt.

If this issuance of Equity Warrants is successful, and all Equity Warrants are acquired, then Palladium would have a working capital base of approximately entrepreneur150 million, which the Issuer will use to execute the Business Plan.

17.2 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Information on the interest of members of the Board and executive management has been disclosed in sections 11.1 and 11.3 of the Prospectus.

17.3 REASONS FOR THE ISSUE AND USE OF PROCEEDS

The proceeds of this issuance of Equity Warrants will be used to execute the Business Plan. In return for capital, Eligible Investors will receive Equity Warrants, which, if converted on the Conversion Date, will entitle Eligible Investors to Ordinary B shares in the Company of a nominal value of €0.000038.

The use of proceeds from this issue of Equity Warrants is to acquire or launch the three fundamental blocks as disclosed in the Business Plan in Section 5.3 of this Prospectus. In particular, the net proceeds from this issuance of Equity Warrants will be used by the Issuer as follows:

- 50% of the capital raised by means of the issuance of Equity Warrants will be used to acquire a controlling interest in a bank as described in the Business Plan and to be invested in the bank's technology in order to suit the needs of the Palladium Group and the implementation of the Business Model;
- 35% of the capital raised by means of the issuance of Equity Warrants will be used to launch the crypto exchange and build the Palladium Blockchain Clearing and Settlement Platform;
- The remaining 15% of the capital raised by means of the issuance of Equity Warrants will be allocated by the Investment Committee of the Company to the acquisition of strategic interests in other financial services companies or ventures involved in distributed ledger technology which are complimentary to, and enhance the objectives of, the Business Plan.

Timing of the use of the proceeds will depend (i) on the identification of a bank to be acquired by the Issuer or the process of setting it up, (ii) the development of the technology to be used for the Palladium Blockchain and (iii) the setting up and possibly obtaining authorization for the crypto exchange. During such time as the Company is implementing its Business Plan it may invest the money in money market instruments, high grade treasury bills and other highly liquid investments which will be approved by the Investment Committee and which will all need to fulfil stringent liquidity requirements and capital protection criteria such that when the proceeds are required to implement the Business Plan then such investments can be easily liquidated without the risk of loss of capital.

18 INFORMATION CONCERNING THE SECURITY

18.1 GENERAL

The Equity Warrants are equity warrants under the Prospectus Directive. The Equity Warrants are convertible into Ordinary B Shares on the Conversion Date at a rate of 1 (one) Equity Warrant per Ordinary B Share.

The Equity Warrants will be issued in registered form following the necessary know your client procedures. The identity of the Equity Warrant Holders will be recorded on a GDPR compliant database and the issuance of the Equity Warrants will be recorded in the Equity Warrant Blockchain using cryptographic addresses.

The Equity Warrants are denominated in Euro. Each Equity Warrant will be issued at entrepreneur1 and may be converted into one ordinary B share of entrepreneur0.000038. The Equity Warrants will expire following the Conversion Date if not converted into Ordinary B Shares.

There will be no returns on the Equity Warrants. No payment by the Equity Warrant Holders is required on conversion of the Equity Warrants into Ordinary B Shares since the cost of conversion, being the payment of the €0.000038 for each Ordinary B share, will be made by Investar Holding Ltd on behalf of the Equity Warrant Holders exercising their right of conversion into Ordinary B Shares.

18.2 APPLICABLE LAWS

The Equity Warrants are issued in accordance with the requirements of the Companies Act, the Prospectus Directive and the Prospectus Regulation.

18.3 REGISTRATION, DENOMINATION, FORM AND TITLE

The Equity Warrants will be in registered form and will be encoded and tokenised on the Equity Warrant Blockchain using the standard mechanism. This means writing and triggering standard ERC20 Ethereum smart contracts on the Ethereum blockchain. One token on the Equity Warrant Blockchain will represent one Equity Warrant.

All the information necessary to identify the Equity Warrant Holders will be recorded on a register of the Equity Warrants which will be maintained by the Issuer and which will provide for the name, surname, nationality, passport number and residential address of the Equity Warrant Holders.

18.4 EQUITY WARRANTS PRICE

The Equity Warrants are being issued at entrepreneur1 (one Euro) per Equity Warrant.

18.5 RIGHTS ATTACHED TO THE EQUITY WARRANTS

18.5.1 Conversion to Ordinary B Shares

The Equity Warrants are considered equity warrants under the Prospectus Directive.

On the Conversion Date, the Equity Warrants can be converted into Ordinary B Shares at a rate of 1 (one) Equity Warrant per Ordinary B Share.

In the event of full subscription of the Equity Warrants, that is full take up of all the 150,000,000 Equity Warrants issued in terms of this Prospectus, and if all the Equity Warrant Holders exercise the right of conversion on the Conversion date then the Company's issued share capital shall be as follows:

Share Class	Nominal Value	Number of Shares	Share Capital
A	€1	50,000	€50,000
B	€0.000038	150,000,000	€5700
		150,050,000	€55,700

In the event that the Company decides to make a full distribution to Management of the other equity warrants available for distribution and if all the persons which have been deemed to form part of Management by the Company and allocated with such equity warrants convert such equity warrants on the Conversion Date, then the Company's issued share capital shall be as follows:

Share Class	Nominal Value	Number of Shares	Share Capital
A	€1	50,000	€50,000
B	€0.000038	230,769,231	€8769.230778
		230,819,231	€58,769.230778

Once issued, the Equity Warrants will be freely transferable on the Palladium Blockchain, since they will be standard ERC20 Ethereum tokens.

No ISIN will be requested for the Equity Warrants or for the Ordinary B Shares.

18.6 TRANSFERABILITY OF THE EQUITY WARRANTS

The Equity Warrants will be freely transferable, and the Company undertakes no obligation to monitor or record such transfers, provided that Equity Warrants should not be transferred to anyone other than Transferees.

However, all transfers of Equity Warrants will be recorded on the Equity Warrant Blockchain, as ERC20 tokens can only move from one cryptographic address to another on the Equity Warrant Blockchain, thereby creating a tamper-proof chain of ownership.

ERC20 tokens are smart contracts satisfying a set of prescribed rules within the Ethereum blockchain. Such rules specify characteristics such as how the tokens are transferred between public addresses and how information in each contract can be accessed.

18.7 TAXATION (EQUITY WARRANTS)

18.7.1 General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation in respect of the Equity Warrants including their acquisition, holding and transfer as well as on any income derived therefrom or on any gains derived on the transfer of such Equity Warrants. The following is a summary of the anticipated tax treatment applicable to Equity Warrants Holders. This information, which does not constitute legal or tax advice, and which does not purport to be exhaustive refers only the Equity Warrant Holders who do not deal in securities in the course of their trading activity or business.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation in Malta, as known to the Issuer at the date of the Prospectus, in respect of which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation as well as the levels of tax on the subject-matter referred to in the preceding paragraph, may change from time to time.

The information is being given solely for the general information of investors. The precise implications for investors will depend on their particular circumstances and professional advice in this respect should be sought accordingly.

18.7.2 Income Tax on Capital Gains on the transfer of the Equity Warrants

As at the date of this Prospectus, Maltese income tax law does not provide for the Maltese taxation or otherwise on the transfer of equity warrants and hence investors are urged to seek personal tax advice on any Malta income tax implications which may arise upon an eventual transfer of the equity warrants.

18.7.3 Duty on Documents and Transfers on transfer of the Equity Warrants

As at the date of this Prospectus, the Duty on Documents and Transfers Act does not provide for the Maltese charge to stamp duty or otherwise on the transfer of equity warrants and hence investors are urged to seek personal tax advice on any Malta stamp duty implications which may arise upon an eventual transfer of the equity warrants.

19 INFORMATION CONCERNING THE NEW ORDINARY B SHARES

19.1 GENERAL

Once issued, the Ordinary B Shares will form part of the issued share capital of the Issuer. Assuming full conversion of all Equity Warrants and all the equity warrants which will be allocated to

Management, into Ordinary B Shares, the issued share capital of the Company on the Conversion Date will be:

Share Class	Nominal Value	Number of Shares	Share Capital
A	€1	50,000	€50,000
B	€0.000038	230,769,231	€8769.230778
		230,819,231	€58,769.230778

19.2 APPLICABLE LAWS

The Ordinary B Shares are issued in accordance with the requirements of the Companies Act, the Prospectus Directive and the Prospectus Regulation.

19.3 REGISTRATION, DENOMINATION, FORM AND TITLE

The Issuer will issue share certificates representing the fully paid up Ordinary B Shares and will be represented in certificated form by the appropriate entry in the register of the Issuer's members maintained by the Company Secretary of the Issuer. There will be entered into such register the names and addresses of the holders of the Ordinary B Shares and the number of Ordinary B Shares held by them.

Following the conversion of the Equity Warrants into Ordinary B Shares, any shareholder in whose name the Ordinary B Shares are registered may (to the fullest extent permitted by the applicable laws) be deemed and treated at all times and for all purposes as the owner of the Ordinary B Shares. Title to the Ordinary B Shares is transferred in accordance with the provisions of section 18.6 of this Prospectus.

In terms of Article 4 of the Articles the Directors are authorised to issue shares (including Ordinary B Shares) of the Company up to the maximum value of the authorised share capital. This authorisation is valid for five (5) years (from registration of the Articles with the Registry of Companies) and the Company may in general meeting by ordinary resolution renew this permission for further maximum periods of five (5) years each. The Directors are expected to adopt a resolution to issue such number of Ordinary B Shares in order to implement the conversion of the Equity Warrants into Ordinary B Shares.

19.4 CURRENCY OF THE ORDINARY B SHARES

The Ordinary B shares will be denominated in Euro.

19.5 RIGHTS ATTACHED TO THE ORDINARY B SHARES

When issued, the Ordinary B Shares will be non-voting and participating, as described below.

Ordinary A Shares have both voting and participating rights attached to them. The holders of the Ordinary A Shares will control 100% of the Issuer's voting rights and will be entitled to the distributable profits of the Company by way of dividend on a *pari passu* basis with the other shareholders of the Company in accordance with the nominal value of the Ordinary Shares held by each shareholder.

19.5.1 Ranking

The Ordinary B shares will not be subordinated and will be entitled to the distributable profits of the Company by way of dividend on a *pari passu* basis with the other shareholders of the Company in accordance with the nominal value of the Ordinary Shares held by each shareholder.

19.5.2 Dividends

The Ordinary B Shares will be entitled to the distributable profits of the Company by way of dividend on a pari passu basis with the other shareholders of the Company in accordance with the nominal value of the Ordinary Shares held by each shareholder.

In accordance with the Companies Act, the authority to declare dividends lies with the Issuer's shareholders in the general meeting. However, in terms of the Issuer's Memorandum and Articles of Association, no dividend shall exceed the amount recommended by the Directors.

Subject to the above, the Directors have the authority to pay the shareholders such interim dividends as appear to the Directors to be justified by the Issuer's profits.

19.5.3 Voting Rights

The Ordinary B Shares will not entitle the holder thereof to any voting rights and will have a nominal value of entrepreneur0.000038.

19.5.4 Meetings of Shareholders

In accordance with the provisions of the Issuer's Articles of Association, the holders of the Ordinary B Shares will not have the right to attend general meetings. This right is reserved to the Ordinary A Shareholders.

19.5.5 Pre-emption rights in respect of new issues of shares

In terms of Article 88 of the Companies Act, shareholders in a public company have pre-emption rights in respect of new issues of shares for cash, in proportion to the holding of capital by such shareholders. Such pre-emption rights may not be withdrawn or restricted by the memorandum and articles of a company, however, the Companies Act allows the memorandum and articles of the company or an extraordinary resolution of the general meeting to authorize the Board of Directors to restrict or withdraw pre-emption rights for as long as the Board of Directors is authorised to issue and allot shares of the Company. In fact, Article 15 of the Articles of Association of the Issuer states that:

“Notwithstanding the foregoing, any right of pre-emption referred to in this Article 15 may be restricted or withdrawn by (i) an extraordinary resolution of the general meeting or (ii) the Board, provided that the Board is authorised to issue Equity Securities in accordance with article 85 of the Act and for so long as the Board remains so authorised.”

19.6 TRANSFERABILITY OF THE ORDINARY B SHARES

The Ordinary B Shares are freely transferable.

All transfers and transmissions are subject in all cases to any pledge (duly constituted) in respect of any Ordinary B Shares and to any applicable laws and regulations.

19.7 TAXATION (Ordinary B Shares)

19.7.1 General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation in respect the Ordinary B Shares, including their acquisition, holding and transfer as well as on any income derived therefrom or on any gains derived on the transfer of such Ordinary B Shares. The following is a summary of the anticipated tax treatment applicable to the holders

of the fully paid up Ordinary B Shares. This information, which does not constitute legal or tax advice, and which does not purport to be exhaustive refers only to the holders of the Ordinary B Shares who do not deal in securities in the course of their trading activity or business.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation in Malta, as known to the Issuer at the date of the Prospectus, in respect of which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation as well as the levels of tax on the subject-matter referred to in the preceding paragraph, may change from time to time.

The information is being given solely for the general information of investors. The precise implications for investors will depend on their particular circumstances and professional advice in this respect should be sought accordingly.

19.7.2 Dividends

Maltese income tax legislation operates a full imputation system on the taxation of dividends. This means that profits are first taxed in the hands of the company, however, when distributed to shareholders, the dividend will carry an imputation credit of the tax paid by the company on the profits so distributed. A shareholder is normally entitled to claim a refund of the difference between the tax payable on the grossed-up dividend and the tax paid by the company distributing the dividend but in some cases the amount of refund may be limited depending on the status and level of income of the recipient of the dividend.

Upon a distribution of a dividend out of distributable profits allocated to the untaxed account, the Issuer is obliged to withhold tax at 15% to a shareholder who is:

- (i) a person resident in Malta (other than a company); or
- (ii) a non-resident person (including a non-resident company) who is owned and controlled by, directly or indirectly, or who acts on behalf of, an individual who is ordinarily resident and domiciled in Malta; or
- (iii) a trustee of a trust where the beneficiaries of such trust are persons referred to in (i) and (ii) above; or
- (iv) an EU/EEA individual (and his or her spouse where applicable) in specific circumstances referred to in the Income Tax Act.

A distribution by the Issuer out of distributable profits allocated to any other taxed account, namely the Maltese Taxed Account, the Immovable Property Account, the Final Tax Account and the Foreign Income Account to any shareholder should not be subject to any further Malta tax, whether by way of withholding or otherwise.

19.7.3 Duty on Documents and Transfers on the conversion of Equity Warrants into Ordinary B Shares

The Issuer might be eligible for a general stamp duty exemption in terms of Article 47 of the Duty on Documents and Transfers Act (Cap 364 of the Laws of Malta). If such exemption is obtained by the Issuer, there should not be any stamp duty applicable upon the conversion of equity warrants into Ordinary B Shares.

If however, the Issuer has not obtained or renewed the aforementioned exemption, the investors should consider their Malta stamp duty obligations upon the conversion of equity warrants into Ordinary B Shares.

19.7.4 Income Tax on Capital Gains on the transfer of the Ordinary B Shares

Gains made upon the transfer of Ordinary Shares of a company registered in Malta are generally subject to capital gains tax in Malta, unless the transferor is a person who is not resident in Malta and provided that:

- (i) the beneficial of the gain is not owned and controlled by, directly or indirectly, nor acts on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta; and
- (ii) the Issuer does not own immovable property situated in Malta or any real rights thereon or, does not hold, directly or indirectly, shares or other interests in any entity or person, which owns immovable property situated in Malta or any real rights thereon where five percent (5%) or more of the total value of the said shares or other interests so held is attributable to such immovable property or rights.

Unless exempt from Malta tax on capital gains, any gain upon the transfer of the Ordinary B shares should be subject to Malta tax at the Malta tax rates applicable to the investor. Such gains must be computed by reference to the capital gains rules (Subsidiary Legislation 123.27).

19.7.5 Stamp Duty on Documents and Transfers on the Transfer of the Ordinary B Shares

The Issuer might be eligible for a general stamp duty exemption in terms of Article 47 of the Duty on Documents and Transfers Act (Cap 364 of the Laws of Malta). If such exemption is obtained by the issuer, there should not be any stamp duty applicable upon the transfer of the Ordinary B Shares.

If however, the Issuer has not obtained or renewed the aforementioned exemption, the person acquiring the Ordinary B shares should be liable to the payment of stamp duty and should hence consider their Malta stamp duty obligations.

19.7.6 Foreign Account Tax Compliance Act

The United States has enacted rules, commonly referred to as "FATCA", that generally impose a new reporting regime and withholding requirements with respect to certain US source payments (including dividends and interest), gross proceeds from the disposition of property that can produce US source interest and dividends and certain payments made by, and financial accounts held with, entities that are classified as financial institutions under FATCA. The United States has entered into an intergovernmental agreement with Malta dated 6 December 2013 regarding the implementation of FATCA with Malta. Payments effected by the Issuer may be subject to withholding under FATCA.

The Issuer's obligations under this Prospectus are discharged once it has affected payment as stipulated in this Prospectus and therefore the Issuer has no responsibility for any amount thereafter transmitted through the payment chain.

FATCA requires participating financial institutions to satisfy applicable due diligence and reporting requirements in terms of the intergovernmental agreement entered into by Malta together with the relevant regulations and guidelines issued by the Commissioner for Revenue. Consequently, certain confidential information in relation to the investors may be reported to the Commissioner for Revenue and automatically exchanged pursuant to these requirements.

Each investor should consult his own tax advisor to understand the implications of FATCA.

20 EXPENSES OF THE ISSUER AND EXPENSES RELATED TO THIS ISSUANCE OF EQUITY WARRANTS

The issue of the Equity Warrants, pursuant to the terms of this Prospectus, will involve expenses including publicity, printing, registration, legal, management and other miscellaneous costs. Such expenses are estimated not to exceed €300,000 and shall be borne by the Issuer. No expenses will be specifically charged by the Issuer to any Eligible Investor who subscribes for the Equity Warrants. The expenses will be deducted from the proceeds of this issuance of Equity Warrants, which accordingly will bring the net proceeds from the issuance to circa €149,700,000 if all the entitlements to the Equity Warrants are validly taken up.

The Issuer may pay up to 5% of the capital raised in connection with the issuance of Equity Warrants to placement agents and intermediaries with which the Company will have distribution and placement agreements in respect of the distribution and placement of the Equity Warrants.

Other than the above, there are no other commissions which are payable by the Issuer in connection with the issuance of Equity Warrants.

21 EXPECTED TIMETABLE OF THE PRINCIPAL EVENTS

Each of the times and dates (other than the Record Date) in the table below is indicative only and may be subject to change.

Opening of Offer Period	July 25, 2018
Closing of Offer Period	September 30, 2018
Announcement of the Issue results	October 15, 2018
Date of issuance of Equity Warrants	October 15, 2018
Conversion Date	October 15, 2021
Date of Issuance of Ordinary B Shares	October 22, 2021

22 TERMS AND CONDITIONS OF THE ISSUANCE

22.1 GENERAL

22.1.1 Introduction

The Company is proposing to raise proceeds through the issue of 150,000,000 Equity Warrants.

The Equity Warrants will be issued on the Issue Date at a price of entrepreneur1 per Equity Warrant, payable in full on acceptance by the Eligible Investor on the Record Date of the terms and conditions as set out in this Prospectus and on the Online Subscription Portal.

The allotment of Equity Warrants is conditional upon a minimum of ten million (10,000,000) in Equity Warrants being subscribed for, resulting in €10,000,000 being raised by the Company during the Offer Period.

It is the responsibility of the Eligible Investors wishing to apply for the Equity Warrants to inform themselves as to the legal requirements applying in Malta and in the countries of their nationality, residence or domicile.

The attention of any person who has a contractual or other legal obligation to forward this Prospectus or other related document into a jurisdiction other than Malta is drawn to section 22.5 below. Equity Warrants will not be offered in the Excluded Territories.

The Equity Warrants are only being made available to Eligible Investors. Eligible Investors must confirm in their Online Subscription Application that (i) they have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the prospective investment in the Equity Warrants; (ii) an investment in the Equity Warrants meets their investment objectives; and (iii) they are able to bear the investment and financial risks resulting from an investment in the Equity Warrants. Indeed, although the Equity Warrants are not being offered solely to 'Qualified Investors' (as such term is defined in the Companies Act), it is nevertheless expected by the Company that all prospective holders of the Equity Warrants possess a certain level of sophistication specifically in respect of investments of this type. Eligible Investors will also be required to complete a questionnaire asking them for details of their knowledge and experience which would have to be completed through the Online Subscription Portal.

Each application for Equity Warrants by Eligible Investors must be for a minimum investment amount of €20,000.

It is the clear preference of the Issuer that an Eligible Investor is also a 'Qualified Investor' as such term is defined in the Companies Act.

22.1.2 Definitions

Save where the context requires otherwise, terms defined in the Prospectus bear the same meaning when used in these Terms and Conditions and/or the Online Subscription Portal and/or in any other document issued pursuant to the Prospectus.

22.1.3 Notices

This Prospectus and accompanying documentation are expected to be disseminated electronically, by email, or on the website of the Issuer.

22.1.4 Online Subscription

The Issuer will not dispatch or distribute a physical application form. Instead, the Issuer will provide the Online Subscription Portal, which will contain the Online Subscription Application. The Online Subscription Application will only be available on the Online Subscription Portal.

Further details and information on the Online Subscription Portal, are hereby appended to this Prospectus as Annex I to this Prospectus entitled *Online Subscription Portal & Subscription Instructions*.

Prospective investors will be required to access the Online Subscription Portal by creating an account. The registration process will involve the selection of a unique username and password. The same credentials will then be used by the Eligible Investors to log into the Online Subscription Portal. For increased security, the Issuer will also require Eligible Investors to use two-factor authentication.

The Eligible Investors shall complete the subscription processes, by accessing the Online Subscription Portal, providing all necessary information, and by furnishing the required KYC and due diligence documentation (including completing an eligibility questionnaire on the Online Subscription Platform), between 12:00am July 25, 2018 and 11:59pm on September 30, 2018 (the “**Offer Period**”). The allocations of the Equity Warrants will be announced by October 15, 2018 which will also be the Issue Date. Such an announcement will be made on the Issuer’s website at <https://www.palladium46.com>. Applicants to the Equity Warrants will be notified by October 15, 2018 through the Online Subscription Portal by receiving a message with an indication of the number of Equity Warrants allocated to them. It shall be the sole responsibility of the Eligible Investor to complete the subscription process, and effect payment on time. The Issuer will not accept any form of payment that has not cleared by 11:59pm on the September 30, 2018 deadline.

22.1.5 Allocation Algorithm

Eligible Investors will be provided with a field in the Online Subscription Portal to indicate the amount of fiat (in the currencies accepted for the Equity Warrants) or crypto-currency they are willing to invest. Applicants will be informed that the allocations will be calculated based on the volume-weighted spot rates on the day the allocations are finally computed following the closing of the Offer Period on September 30, 2018.

The results of the issuance and the resulting allocations will be communicated to Eligible Investors by October 15, 2018. The results will be posted on the Issuer’s website. Notifications will be made electronically by email to the addresses provided at the time of registration. Subscribers will have the option to login in to the Online Subscription Portal to view their allocations.

The Issuer will also provide a customer service desk to handle customers experiencing issues.

22.1.6 Right to Reject

Subject to all other terms and conditions set out in the Prospectus and the Online Subscription Portal, the Company reserves the right to reject, in whole or in part, application by an Eligible Investor. The Company also reserves the right to refuse any applicant if the Online Subscription Application is not, in the opinion of the Company, properly completed in all respects in accordance with the instructions or is not accompanied by the required documents and/or payments. An application cannot be completed unless the eligibility questionnaire is completed through the Online Subscription Portal which would enable the Issuer to determine whether an investor is indeed an Eligible Investor.

If an applicant is not accepted, the money (fiat or crypto currencies, as the case may be) paid by the applicant in the course of the application process, will be returned to the applicant, using the same means used by the applicant to make the payment in the course of the application process. Any expenses or charges connected with such return of monies shall be borne by the respective Eligible Investor.

The Company expressly disclaims any and all responsibility for any remittances that may be lost or otherwise mislaid.

22.1.7 Right to Revoke the Offer

Subject to all other terms and conditions set out in the Prospectus and the Online Subscription Portal, the Company reserves the right to revoke the Offer at any time before the closing of the Offer Period.

The circumstances in which such revocation might occur are expected to be exceptional, for example in the case of extraordinary injection of capital exogenous to the issuance of Equity Warrants or where a significant change in market conditions occurs.

In the event of a revocation of the offer of Equity Warrants, the money (fiat or crypto currencies, as the case may be), paid by each applicant in the course of the application process, will be returned to the applicants, using the same means used by the applicant to make the payment in the course of the application process. Any expenses or charges connected with such return of monies shall be borne by the respective applicant.

22.1.8 Announcement of result of the issuance

The Issuer shall announce the result of the issuance on October 15, 2018.

22.2 REGISTRATION

Initial ownership, together with all KYC details for each Eligible Investor, as provided at the time of completion of the Online Subscription Application, will be recorded on a GDPR-compliant database following the issuance of Equity Warrants and upon initial distribution of the Equity Warrants.

The Equity Warrants shall be tokenised and represented as tokens on the Equity Warrant Blockchain. The Equity Warrants shall also be evidenced by a book-entry in the register held by the Issuer.

Therefore, following the Issue of the Equity Warrants, ownership of Equity Warrants will be recorded using crypto address-based book entries in the Equity Warrant Blockchain. Any ownership changes that take place due to the transfer of Equity Warrants from the end of the Offer Period, until the Conversion Date, will only be recorded on the Equity Warrant Blockchain. The initial Equity Warrant register will be the only record of the Equity Warrant Holders maintained by the Issuer.

The Issuer will comply with any regulatory disclosure requirements in relation to the Equity Warrants by providing an electronic report (in a standard machine readable format) of the chain of ownership based on the initial KYC and the subsequent entries and transfers of Equity Warrants recorded on the Equity Warrant Blockchain.

Once converted into Ordinary B Shares, the information on Ordinary B Shareholders and their respective shareholding in the Company shall be maintained by the company secretary of the Company in the register of members of the Company.

22.3 ACTION REQUIRED TO SUBSCRIBE TO THE EQUITY WARRANTS

22.3.1 Contents of the Online Subscription Application

The minimum number of Equity Warrants an Eligible Investor may take up when completing the Online Subscription Application is **twenty thousand since each Equity Warrant has a nominal value of €1 and the minimum investment is of €20,000.**

Further information on the contents of the Online Subscription Portal, and instructions on how to complete the Online Subscription Application can be found in Annex I of this Prospectus.

22.3.2 Legal Persons

Where the Eligible Investor is a legal person, the Online Subscription Application must be populated and submitted by the person/s authorised to sign and bind such Eligible Investor. It shall not be incumbent on the Company to verify whether the person/s purporting to bind such an Eligible Investor is in fact so authorised.

If the Online Subscription Application is populated, and submitted on behalf of a legal person, the person submitting the Online Subscription Application will be deemed to have bound the relative legal person and will be deemed also to have given the confirmations, warranties and undertakings contained in this Prospectus on their behalf. Such person may be requested to submit the relative power of attorney/resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Issuer.

If the Online Subscription Application is populated and submitted by a third party on behalf of an Eligible Investor, a certified true copy of a valid power of attorney should also be uploaded and submitted. In all cases, it shall not be incumbent on the Company to verify whether the person/s accessing the Online Subscription Portal and populating and submitting the Online Subscription Application is duly authorised to do so for and on behalf of the Eligible Investor.

The contract created by the submission of the Online Subscription Application shall be subject to all the terms and conditions set out in this Prospectus and the Online Subscription Portal.

22.3.3 Deceased Equity Warrant Holder

If the Equity Warrant Holder passes away before the Conversion Date, any request to convert the Equity Warrants to Ordinary B Shares must be signed by the lawful successors in title of the deceased Equity Warrant Holder. For this purpose, the successors in title of the deceased Equity Warrant Holder must contact the Company prior to or by the Conversion Date in order to produce adequate documentary proof to the satisfaction of the Company, in order to enable them to verify their status as lawful successors of the deceased Equity Warrant Holder.

It shall not be incumbent on the Company to verify whether the person/s submitting the Online Subscription Portal is/are the lawful successor/s of the deceased Equity Warrant Holder.

22.3.4 Procedure for acceptance

Eligible Investors who wish to acquire Equity Warrants

Eligible Investors who wish to acquire Equity Warrants should complete and submit the Online Subscription Application together with the necessary payment.

The Online Subscription Application will request the following KYC information and documentation from the Eligible Investor:

- (i) Identification Documents
 - a valid unexpired passport; or

- a valid unexpired national or other government issued identity card; or
- a valid unexpired residence card; or
- a valid unexpired driving licence;

and

(ii) Proof of Address

- a recent statement or reference letter issued by a recognised credit institution; or
- a recent utility bill; or
- correspondence from a central or local government authority, department or agency; or
- any identification document listed in point (i) above, where a clear indication of residential address is provided; or
- an official conduct certificate; or
- any other government-issued document not mentioned above.

In addition the applicant will also be requested to complete an eligibility questionnaire in order for the Issuer to determine if the applicant is indeed an Eligible Investor.

On the Conversion Date, and when converting Equity Warrants to Ordinary B Shares, Equity Warrant Holders will be required to either (i) confirm in writing that their documentation, as provided in their Online Subscription Application is still valid as at the date of conversion; (ii) re-submit any of the above mentioned documents that have expired or which are otherwise no longer valid or (iii) in the case of Transferees, submit the above-mentioned documents and complete the eligibility questionnaire in order for the Issuer to determine that such Transferee is indeed an Eligible Investor. If the Equity Warrant Holder is not resident in the European Union or does not hold a European Union passport then such person shall also submit a copy of reference issued by a reputable bank confirming such person's good standing.

22.4 Company's Acceptance

22.4.1 Issuer's discretion as to the validity of Acceptance

If the Online Subscription Portal and proof of payment of cleared funds do not reach the Company by the end of the Offer Period, the application will be deemed to have been declined and will lapse.

The Company may, but shall not be obliged to, treat as valid Online Subscription Application accompanied by payment received later than the Offer Period.

The Company may also, but shall not be obliged to, treat Online Subscription Application as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

22.5 INVESTORS AND EXCLUDED TERRITORIES

22.5.1 General

THE ISSUE OF EQUITY WARRANTS TO PERSONS RESIDENT IN, OR WHO ARE CITIZENS OF, OR WHO HAVE A REGISTERED ADDRESS IN, COUNTRIES OTHER

THAN MALTA MAY BE AFFECTED BY THE LAW OF THE RELEVANT JURISDICTION. THOSE PERSONS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS (INCLUDING TAX ADVISERS) AS TO WHETHER THEY REQUIRE ANY GOVERNMENTAL OR OTHER CONSENTS OR NEED TO OBSERVE ANY OTHER FORMALITIES TO ENABLE THEM TO TAKE UP THEIR RIGHTS.

This section sets out the restrictions applicable to Eligible Investors who have registered addresses and/or who are citizens or residents of Excluded Territories.

Any person (including, without limitation, nominees and trustees) outside Malta wishing subscribe to the Equity Warrants must satisfy himself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

The comments set out in this section are intended as a general guide only and any Eligible Investor who is in doubt as to his position should consult his independent professional adviser without delay.

Having considered the circumstances, the Directors have formed the view that it is necessary or expedient to restrict the ability of persons in the Excluded Territories to subscribe to the Equity Warrants due to the time and costs involved in the registration of this Prospectus and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions.

Accordingly, receipt or download of this document and/or access to the Online Subscription Portal will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this document and/or the Online Subscription Portal should be used for information purposes only and should not be copied or redistributed. No person receiving or downloading a copy of this document and/or accessing the Online Subscription Portal in any Excluded Territory, may treat the same as constituting an invitation or offer to him **unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Online Subscription Portal could lawfully be accessed or dealt with without contravention of any unfulfilled registration or other legal or regulatory requirements.**

The provisions of this section 22.5 will apply generally to investors who do not or are unable to subscribe to Equity Warrants on the basis that such action would result in a contravention of applicable legal or regulatory requirements in the relevant jurisdiction.

Equity Warrants applied for by Eligible Investors with registered addresses in Excluded Territories would otherwise have been entitled to receive, will be offered to other Eligible Investors in accordance with this Prospectus as if they were not subscribed to in the first place.

22.6 REPRESENTATIONS AND WARRANTIES OF ELIGIBLE INVESTORS

By completing and submitting the Online Subscription Application, each Eligible Investor:

- (a) confirms that (i) they have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of their prospective investment in the Equity Warrants;

- (ii) an investment in the Equity Warrants meets their investment objectives; and (iii) they are able to bear the investment and financial risks resulting from an investment in the Equity Warrants;
- (b) subject to the right of the Company to reject, in whole or in part, an application to subscribe to Equity Warrants, and subject to the right of the Company to revoke the offer as each right is respectively set out in this Prospectus, agrees that it has entered into a contract with the Company as subject to all the terms and conditions set out in this Prospectus and the Online Subscription Portal;
- (c) agrees to have had the opportunity to read the Prospectus and to be deemed to have had notice of all information and representations concerning the Company and the issue of the Equity Warrants contained therein;
- (d) confirms that in accessing the Online Subscription Portal, and completing and submitting the Online Subscription Application, no reliance was placed on any information or representation in relation to the Company or the issue of the Equity Warrants other than those contained in this Prospectus and accordingly agrees that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;
- (e) agrees to provide the Company, as the case may be, with any documents and/or information which they may request in connection with the issuance of Equity Warrants, as shown on the Online Subscription Portal;
- (f) warrants, in connection with the issuance of Equity Warrants, and in completing the Online Subscription Application, to have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with the application in any territory and that it has not taken any action which will or may result in the Issuer acting in breach of the regulatory or legal requirements of any territory in connection with the Issue of the Equity Warrants;
- (g) warrants that all applicable exchange control or other such regulations have been duly and fully complied with;
- (h) represents that the Eligible Investor does not have his registered address and/or is not a citizen or resident of any Excluded Territory; and
- (i) for the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations (S.L. 373.01), as amended, the Company is under a duty to request from the Eligible Investors, all information required to satisfy the legal requirements thereunder if and when required.

22.7 TIMES AND DATES

The Company shall in its discretion be entitled to amend the dates on which the Online Subscription Portal is available or amend or extend the latest date for acceptance or instruction under the issuance of Equity Warrants and all related dates set out in this Prospectus and the Online Subscription Portal.

If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full for the Equity Warrants that have been subscribed to in terms of this Prospectus, the latest date for acceptance or instruction under the issuance of Equity Warrants shall be extended to the date that is three Business Days after the date of issue of the

supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

22.8 GOVERNING LAW

The Terms and Conditions as set out in this Prospectus and the Online Subscription Portal and any non-contractual obligations arising out of or in relation to the issuance of Equity Warrants shall be governed by, and construed in accordance with, Maltese law.

22.9 JURISDICTION

The courts of Malta are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the issuance of Equity Warrants, this Prospectus or the Online Subscription Portal (including any dispute relating to any non-contractual obligations arising out of or in connection with any of them).

By subscribing to the Equity Warrants in accordance with the instructions set out in the Prospectus and the Application Form, Eligible Investors and any other person who participates in the issuance of Equity Warrants, irrevocably submit to the jurisdiction of the courts of Malta and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

ISSUER

Palladium p.l.c.

Global Capital p.l.c. building, 2nd Floor,
Testaferrata Street,
Ta' Xbiex,
Malta

LEGAL COUNSEL

GANADO Advocates

171, Old Bakery Street,
Valletta, VLT 1455, Malta

Annex I – Online Subscription Portal & Subscription Instructions

Subscription Instructions

The landing page for the Online Subscription Portal will include detailed instructions. The following is a detailed description of the intended contents of the Online Subscription Portal:

Detailed Subscription Process

To subscribe to the Equity Warrants, prospective investors must first create an account on the Online Subscription Portal. To do this, a prospective investor must visit the Online Subscription Portal webpage, login, and move to the subscription tab, as shown below.

Exhibit 13 Subscription Landing Page

The screenshot shows the Palladium ICO Subscription Portal landing page. At the top left, the logo reads "PALLADIUM" with the tagline "The Freedom to Choose" below it. A navigation bar contains four items: "Main", "Palladium ICO Subscription Portal" (which is highlighted with a mouse cursor), and two sections of social media icons. Below the navigation bar is a large white box containing a "Secure Login" form. The form has a "Login" button at the top right, followed by input fields for "Username" and "Password". At the bottom of the form are two buttons: "Create Account" and "Reset Password".

When accessing the Online Subscription Portal, prospective investors will have the option to create an account or login using existing credentials. The Issuer will provide prospective investors with a mechanism to reset a forgotten password.

The security of the process will be strengthened through two-factor authentication. To reset their passwords, users would need to therefore request to reset their password on the browser and to enter a four-letter code sent to their mobile phones via text message.

Users registering for the first time would be presented with a form to enter the required personal details. Upon clicking on the **SAVE** button, users would undergo an automated process to verify their email address and mobile phone number. Finally, users will be asked to upload a government-issued identification and a proof-of-address document. Acceptable options are listed in Section 22.3.4 of the Prospectus. The following three exhibits illustrate this process.

The Issuer will require users to self-certify that they are Eligible Investors before providing any data. Failure to fill the form correctly will result in the inability of the user to be considered an Eligible Investor (as defined in the Prospectus) and to complete the registration process.

Exhibit 14 Eligible Investor Self-Declaration

Declarations by the applicant to qualify as an Eligible Investor:-

The Investor confirms that:

- ☐ he/she/it has sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the prospective investment in the Equity Warrants;
- ☐ an investment in the Equity Warrants meets his/her/its investment objectives; and
- ☐ he/she/it is able to bear the investment and financial risks resulting from an investment in the Equity Warrants.

I/We confirm that the information given to the Issuer above is correct and complete.

I/We acknowledge that the application for Equity Warrants is subject to the minimum investment amount of EUR20,000.

Exhibit 15 Account Creation - Personal details required for registration and KYC

PALLADIUM
The Freedom to Choose

Main

Palladium
ICO Subscription
Portal

Investor Relations

About

Account Overview

Personal Data

Upload Documents

Subscribe to ICO

SAVE

First Name

Middle Initial

Last Name

Street Name

Street Number

Street Address (cont.)

City

Postal Code

Country

Mobile Number

Email Address

After the user saves his or her personal details, s/he will be presented with a phone and email verification step. The system will place a call to the user to confirm that the email and phone number are indeed his or hers. This is illustrated in Exhibit 16 below.

Exhibit 16 Automated Email and Phone Verification Procedure

The screenshot displays the 'Palladium ICO Subscription Portal' interface. At the top, there's a navigation bar with 'Main', 'Palladium ICO Subscription Portal', 'Investor Relations', and 'About'. Below this, a secondary navigation bar includes 'Account Overview', 'Personal Data', 'Upload Documents', and 'Subscribe to ICO'. The 'Personal Data' tab is active, showing a progress indicator 'Verify your account to participate in the Token Sale!' with '2 steps left'. The first step is 'Email verification' with a status of 'Your email needs to be verified.' and a button labeled 'EMAIL SENT!'. The second step is 'Phone number verification' with a status of 'Your phone number needs to be verified.' and a button labeled 'VERIFY PHONE NUMBER'. A note at the bottom states: 'NOTE: In order to verify your account, all verification methods above need to be completed.' A 'BACK' button is also visible.

The first step is to upload a government-issued identification and proof of address, as shown in Exhibit 17.

Exhibit 17 Upload of Government-issued Identification Document and Proof of Address

The screenshot shows the 'Upload Documents' section of the portal. It features two main areas: 'Choose ID Type' and 'Choose Proof of Address'. Under 'Choose ID Type', options include 'Passport', 'National ID Card', 'Residence Card', and 'Driver's License'. Under 'Choose Proof of Address', options include 'Reference Letter from Credit Institution', 'Recent Utility Bill', 'Identification from Above with Proof of Address', 'Official Conduct Certificate', and 'Any Government-Issued Document with Address'. To the right of these lists are two large drag-and-drop zones labeled 'Drag'n'Drop Identity Document' and 'Drag'n'Drop Proof-of-Address Document', each containing a document icon and a progress bar.

Eligible Investors will be able to subscribe to the Equity Warrants using either fiat or crypto-currency once the following three requirements are met:

1. User has created an account on the Online Subscription Portal per the above procedure;

2. User has submitted all required KYC documentation, has fulfilled all KYC requirements and has declared that s/he is a Eligible Investor; and
3. The Offer Period has commenced.

To access the Online Subscription Portal, prospective investors must:

1. Visit the Issuer's website;
2. Log in;
3. Visit the subscription tab; and
4. Click on the ***Subscribe to ICO*** button

At this point, the user must choose subscribing with fiat or crypto-currency. The following image shows the landing page that pops up after executing the above steps.

Exhibit 18 Choosing ICO Subscription Currency

The screenshot shows the Palladium ICO Subscription Portal interface. At the top left, the logo reads "PALLADIUM The Freedom to Choose". Below the logo is a navigation bar with four tabs: "Main", "Palladium ICO Subscription Portal", "Investor Relations", and "About". The "Palladium ICO Subscription Portal" tab is active. Below the navigation bar is a secondary menu with four buttons: "Account Overview", "Personal Data", "Upload Documents", and "Subscribe to ICO". A mouse cursor is hovering over the "Subscribe to ICO" button. To the right of the "Subscribe to ICO" button, a text note states: "This menu is grayed out if the person has not passed KYC". Below the secondary menu are two large buttons: "FIAT" and "CRYPTO".

Depending on the user's choice to pay in fiat or crypto-currency, a different page will pop up asking for required information and providing instructions to effect payment. For example, the following exhibit shows a form with the information required for an Eligible Investor to subscribe to Equity Warrants using fiat currency.

Exhibit 19 Information Required for FIAT Subscriptions

The mockup shows the 'Palladium ICO Subscription Portal' with a navigation bar containing 'Main', 'Palladium ICO Subscription Portal', 'Investor Relations', and 'About'. Below the navigation bar is a secondary bar with 'Account Overview', 'Personal Data', 'Upload Documents', and 'Subscribe to ICO'. The 'Subscribe to ICO' button is highlighted with a mouse cursor. The main content area is titled 'Banking Details' and contains a form with the following fields: 'Name as Listed in Account', 'Bank Name', 'Account Number', 'IBAN', 'BIC / SWIFT or Routing #', 'Currency Code', and 'Amount'. A 'SAVE' button is located at the top right of the form. Two callout boxes provide instructions: one points to the 'SAVE' button stating 'After hitting SAVE, show Instructions on how to send FIAT money. Give options for IDEAL, bank wire, Paypal, international wire, etc.', and the other points to the 'Currency Code' field stating 'Make this a dropdown box to choose 3-letter ISO currency codes'.

PALLADIUM
The Freedom to Choose

Main Palladium ICO Subscription Portal Investor Relations About

Account Overview Personal Data Upload Documents Subscribe to ICO

Banking Details

SAVE

Name as Listed in Account

Bank Name

Account Number

IBAN

BIC / SWIFT or Routing #

Currency Code

Amount

After hitting SAVE, show Instructions on how to send FIAT money. Give options for IDEAL, bank wire, Paypal, international wire, etc.

Make this a dropdown box to choose 3-letter ISO currency codes

Similarly, an Eligible Investor electing to subscribe to Equity Warrants using crypto-currency will be presented with a form to enter relevant details such as the crypto amount and denomination of his or her subscription.

Exhibit 20 Crypto Subscription Option

The mockup shows the 'Palladium ICO Subscription Portal' with the same navigation and secondary bars as Exhibit 19. The 'Subscribe to ICO' button is highlighted with a mouse cursor. The main content area contains the following text: 'Present simple form for user to enter address crypto coming from and amount being sent (in the crypto's denomination). Show QR code and plain-text destination adress and even some instructions on how to do everything.'

PALLADIUM
The Freedom to Choose

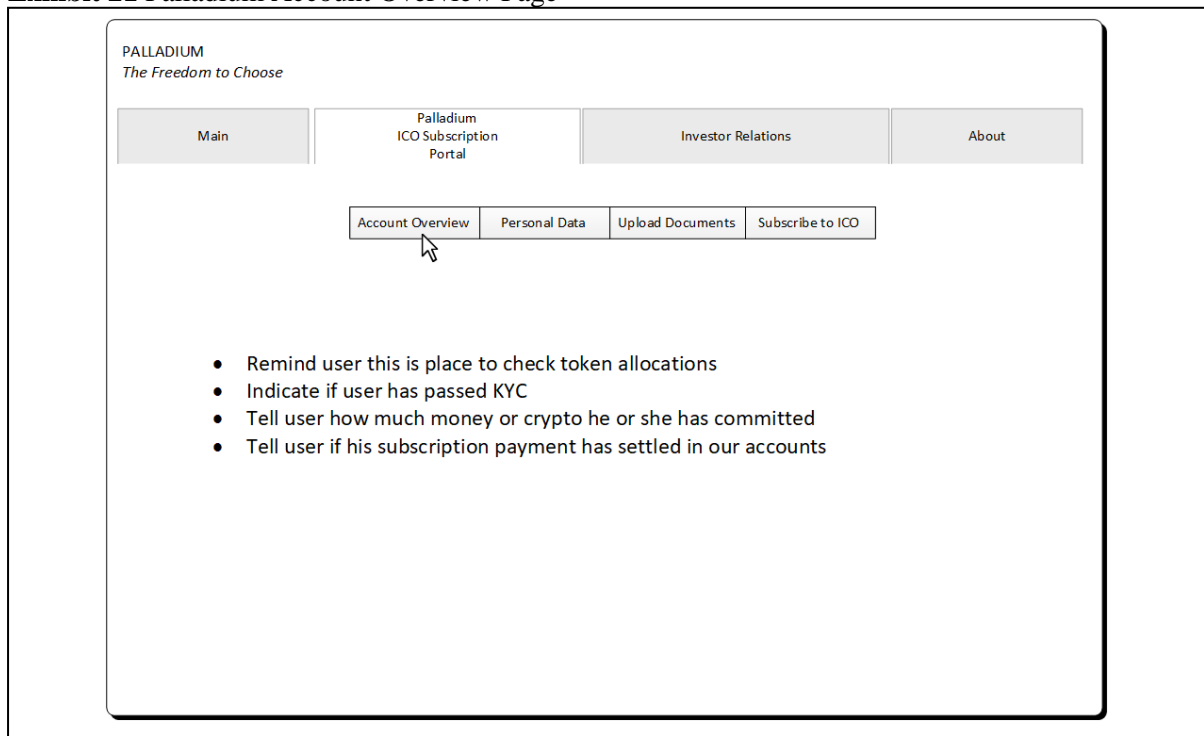
Main Palladium ICO Subscription Portal Investor Relations About

Account Overview Personal Data Upload Documents Subscribe to ICO

Present simple form for user to enter address crypto coming from and amount being sent (in the crypto's denomination). Show QR code and plain-text destination adress and even some instructions on how to do everything.

Eligible Investors will be able to check their accounts by click on the ***Account Overview*** button. This will display, among other things, the status of the KYC process, any subscription details that may have been submitted, confirmation of subscription payment settlement.

Exhibit 21 Palladium Account Overview Page



Annex II – CURRENT AND PAST DIRECTORSHIPS OF BOARD MEMBERS

Paolo Catalfamo (Chairman)

Present Directorships	Past Directorships
<ul style="list-style-type: none"> Global Capital Plc Investar plc Global Capital plc Global Capital Life Insurance Ltd Global Capital Health Insurance Agency Ltd Global Capital Financial Management Ltd Global Capital Holding Ltd. Investar US Inc Centtrip Holding Ltd 	<ul style="list-style-type: none"> IFS plc (2016)

Gregory McGowan

Present Directorships	Past Directorships
<ul style="list-style-type: none"> Global Capital Plc Franklin Templeton Sealand Fund Management Co., Ltd. 	<ul style="list-style-type: none"> Templeton International, Inc. (2016) Templeton Investment Counsel LLC (2016) Franklin Templeton Trustee Services Private Limited (2016) Franklin Templeton International Services S.A. (2016) Franklin Templeton Investments (Asia) Limited (2016) Franklin Templeton Investments Japan Ltd. (2016) Templeton Asset Management Ltd (2016) Franklin Templeton Holding Limited (2016) Franklin Templeton Investment Services Mexico, S. de R. L.(2016)

Rahul Sood

Present Directorships	Past Directorships
<ul style="list-style-type: none"> Unikrn Inc. 	None

Brian Jamieson

Present Directorships	Past Directorships
Centtrip Limited Propeller Artists Ltd	None

Joseph Del Raso

Present Directorships	Past Directorships
Global Capital plc	None

ANNEX III – FREQUENTLY ASKED QUESTIONS IN RESPECT OF THE ISSUER AND THE EQUITY WARRANTS

What is an Equity Warrant?

An equity warrant is a type of security which gives the right to the holder to convert it into shares of the Issuer on a pre-defined date or during a period of time. Equity warrants could have all the characteristics which are normally found in a call option in the sense that it is at the discretion of the holder of the warrant to decide whether to exercise it or not.

What is my return from the Equity Warrants?

The Equity Warrants do not pay any coupon or any form of interest. As explained above the Equity Warrants are essentially an option to subscribe to Ordinary B Shares in the Issuer.

What would be my expected return from the Ordinary B Shares if I decide to convert my Equity Warrants?

The Issuer is a start-up which by definition carries with it a certain amount of risk. Investors should NOT invest in the Equity Warrants if they are expecting a dividend return from the Ordinary B Shares. The value in this investment is the capital gain which an investor could potentially make on the upside in case of an increase in value of the Ordinary B Shares. However it is not excluded that dividends on the Ordinary B Shares will never be distributed but investors should note that it is normal for this type of company (as the Issuer) to reinvest any profits back into its subsidiaries in order to increase their enterprise value.

What will the Issuer do with the monies raised from this offering?

The Issuer intends to utilize these funds to make three main investments -

1. set up a subsidiary company which will either acquire shares or other interests in a credit institution which is domiciled in the European Union or else apply for a banking licence with the competent authority in the country where this subsidiary will be located. It is probable that such a subsidiary will be located in Malta but the Issuer has not identified a specific target to acquire in Malta but has rather identified a type of bank which is would be interested in acquiring. This means that the Issuer might not necessarily acquire a bank which is domiciled in Malta. On the other hand if the subsidiary were to opt to obtain a banking licence then it is highly probable that it would seek to obtain such a licence in Malta and would apply for it with the MFSA;

2. set up a subsidiary company which will either acquire shares or other interests in a crypto exchange or which will apply for a licence to set up a crypto exchange. In this case there are no crypto exchanges present in Malta which have been operating for some time therefore such the Issuer would look elsewhere when acquiring a crypto exchange. Such an exchange will probably be outside the European Union since most active exchanges with a financial history are located in America or Asia. If the Issuer decides to set up a new exchange then it is highly probable that it would do so in Malta and would apply for licencing for such an exchange in Malta being one of a handful of jurisdictions worldwide which has decided to regulate exchanges;

3. develop a clearing and settlement platform operating Blockchain technology. This platform is expected to be developed in house by the Issuer and will be operated directly by the Issuer. The Issuer would also licence such a technology to third parties or other members of the group.

Why is the Issuer not identifying the bank it would acquire?

The Issuer is indicating the type of bank which it would be looking at acquiring. At this point it isn't possible to identify the specific bank since the Issuer does not have an MOU in place relating to the acquisition of a bank. However it has indicated the typology of bank it would be considering and is also indicating what kind of business model it would implement within the bank which it would acquire or set up. It should be borne in mind that essentially the Issuer is a start up which is seeking to become a financial holding company plus develop the Blockchain technology to implement a clearing and settlement platform for crypto assets. Like any start up there are inherent risks in its proposition in that it can fail to reach its objectives and that is the investment risk which prospective investors should consider carefully before making an investment decision.

What criteria do I need to satisfy in order to invest in the Equity Warrants?

There are eligibility criteria which are outlined in the prospectus. These criteria are subject to self-assessment and the applicant will be expected to answer a number of questions in order for the Issuer to determine whether the applicant satisfies the eligibility criteria to its satisfaction. Such a questionnaire would be available on the Online Subscription Portal and will need to be completed to the Issuer's satisfaction prior to the particular applicant being allowed to subscribe to the Equity Warrants.

In the event that the Equity Warrants are transferred to third parties then it is the responsibility of the transferor and the transferee to ensure that such third party is eligible to hold the Equity Warrants. Investors should note that in all cases a third party who acquires the Equity Warrants prior to their conversion into Ordinary B Shares (and who then opts to convert such Equity Warrants into Ordinary B Shares) would be required, prior to being allocated with Ordinary B Shares, to complete the same eligibility questionnaire in order for the Issuer to determine that such an investor is an Eligible Investor. If such a questionnaire is not completed to the Issuer's satisfaction then the right of conversion embedded within the Equity Warrants would be forfeited without any obligation of the Issuer to provide such a holder of Equity Warrants with any form of refund or reimbursement.

If at any point the Issuer becomes aware, through information which it could come across in a purely coincidental manner on a holder of Equity Warrants, that such eligibility criteria are not satisfied by any particular investor then such an investor could lose the right to convert the Equity Warrants into Ordinary B Shares and will not have a right of refund of the investment made.

Is there a minimum amount of money which I would need to invest?

Yes the investment is subject to a minimum of €20,000.

Can I change my mind after having submitted the application form?

Once the application reaches the Issuer and the monies which are being invested are received in cleared funds with the Issuer's bankers the decision to invest is irrevocable. It should also be noted that the Issuer has the discretion to reject an application for any reason or for no reason at his discretion.

Am I subject to money laundering requirements?

Yes. Each investor is subject to know your client and money laundering requirements which imply that the investors will be required to disclose confidential and personal information which will be retained by the Issuer and which are subject to data protection regulations.

What happens if I do not exercise my conversion right by the deadline?

If the conversion right embedded within the Equity Warrants is not exercised by the deadline then these rights will lapse automatically and the holder of the Equity Warrant will remain the holder of the token in view of the fact that the Equity Warrants are being tokenized but will be unable to convert such Equity Warrants. In practice this would mean that the token would have no value insofar as the Issuer is concerned since the holder thereof would not have any conversion rights in the share capital of the Issuer.

Do I have to make a further payment on conversion of the Equity Warrants into ordinary B shares of the Issuer?

No this will not be required since payment of the nominal value of the shares (which is minimal) will be made by Investar Holdings Limited without any right of refund from investors and without Investar Holdings Limited having any claim whatsoever on the Ordinary B Shares.

How can I transfer the Equity warrants which I would have purchased?

Equity Warrants are freely transferable to other Eligible Investors and it is the obligation of the transferor to ensure that the transferee is an Eligible Investor and of the transferee to ensure that it is indeed an Eligible Investor. Equity Warrants can be transferred on the Ethereum Blockchain, or until such time as the Ethereum Blockchain is available the Equity Warrants can be transferred by an instrument of transfer notified to the Issuer.

What rights would I have as a holder of Ordinary B shares?

Whereas the Ordinary B Shares do not have any voting rights nevertheless holders would still enjoy minority protection rules arising from the Companies Act (Chapter 386 of the Laws of Malta) such as the right to vote specifically if any rights attached to the Ordinary B Shares are changed and the right to claim unfair prejudice. The Ordinary B Shares have rights to participate in dividends of the Issuer on a pari passu basis depending on the nominal value of the shares held when compared to the total issued share capital of the Issuer.

Accordingly the shareholders in the Issuer all have dividend rights arising from the issuer's distributable profits in accordance with the Companies Act.

The distributable profits of the Issuer will be generated from dividends which the Issuer will receive from its shareholding in the banking and crypto-exchange subsidiaries as well as from licence fees and commissions which would be payable to the Issuer for the use of the Palladium Blockchain.

What would be the timing for the Issuer to generate a return from its investments?

The objective of the Issuer is to acquire a bank which is already profit generating accordingly in this case returns from such an investment in the bank will be generated soon after its acquisition as a matter of course. The issue is to identify a bank which is available for acquisition of the type which would fit with the Issuer's business model. The Issuer is confident that it would be able to identify such a bank within the first year from the date of this prospectus

and to obtain the necessary regulatory approvals within the following one year thereafter. This means that in the case where the Issuer will acquire an already existing bank the timeline for such an acquisition to be concluded should not be longer than two years from the date of the Prospectus.

On the other hand if an acquisition of a bank is not possible then, as indicated in the prospectus, the Issuer would set up a new bank in which case dividend returns from the banking subsidiary are expected to be generated during the third year from when the banking subsidiary will be set up. In this case the Issuer would receive returns from the banking subsidiary within a period of four years to four and a half years from the date of this prospectus.

Dividend returns from the crypto exchange subsidiary are expected to be generated in the first year from when it is acquired or set up and so a return on this venture is expected within two years from the date of the Prospectus.

Returns from the Palladium Blockchain are expected within six months from its development. The Palladium Blockchain is expected to be completed by the second to the third quarter of 2020. This means that in this case returns for the Issuer from the Palladium Blockchain are expected by the end of 2020 within one year from the date of this prospectus.

Investors should note that these are mere indications and do not constitute a profit forecast as such term is defined in the Prospectus Directive.