

# SECURITIES NOTE

Dated 6 March 2019

This document is a Securities Note issued in accordance with the provisions of Chapter 4 of the Listing Rules published by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013, Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 and Commission Delegated Regulation (EU) No. 2016/301 of 30 November 2015. This Securities Note is issued pursuant to the requirements of Listing Rule 4.14 of the Listing Rules and contains information about the Bonds being issued by Endo Finance p.l.c. The Listing Authority has approved the admission to listing of the Bonds on the Official List of the Malta Stock Exchange. Application has been made to the Malta Stock Exchange for the admission to listing and trading of the Bonds on its Official List. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Issuer.

In respect of an issue of €13,500,000 4.5% Unsecured Bonds 2029  
of a nominal value of €50,000 per Bond issued at par by



ENDO FINANCE P.L.C.

a public limited liability company registered in Malta with company registration number C 89481

with the joint and several Guarantee\* of International Fender Providers Ltd (C 69877),  
IFP International Fender Providers Limited (HE 348221) and P & C Limited (C 13033)

ISIN: MT0002141209

\*Prospective investors are to refer to the Guarantee contained in Annex 1 of this Securities Note for a description of the scope, nature and terms of the Guarantee. Prospective investors are also to refer to sub-section 5.5 of this Securities Note for a description of the Collateral Rights. Reference should also be made to the sections entitled "Risk Factors" contained in the Summary Note, the Registration Document and this Securities Note for a discussion of certain risk factors which should be considered by prospective investors in connection with the Bonds and the Guarantee provided by the Guarantors, as well as the Collateral Rights granted by the Endo Group.

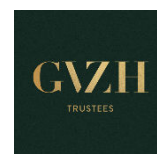
Legal Advisors



Sponsor, Manager & Registrar



Custodian



THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT THE SAID INSTRUMENT IS IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT. THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES. A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.

A handwritten signature in black ink, appearing to be "Christopher Frendo".

Christopher Frendo

A handwritten signature in black ink, appearing to be "Nicholas Frendo".

Nicholas Frendo on behalf of Nicholas Frendo,  
Anthony Busuttill, Francis Gouder, Erica Scerri

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## IMPORTANT INFORMATION

THIS SECURITIES NOTE CONSTITUTES PART OF THE PROSPECTUS DATED 6 MARCH 2019 AND CONTAINS INFORMATION ABOUT ENDO FINANCE PLC IN ITS CAPACITY AS ISSUER, ABOUT INTERNATIONAL FENDER PROVIDERS LTD, IFP INTERNATIONAL FENDER PROVIDERS LIMITED AND P & C LIMITED IN THEIR CAPACITY AS JOINT AND SEVERAL GUARANTORS, RESPECTIVELY, AND THE BONDS IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES, THE COMPANIES ACT AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS, AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013, COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014 AND COMMISSION DELEGATED REGULATION (EU) NO. 2016/301 OF 30 NOVEMBER 2015, AND SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT ISSUED BY THE ISSUER.

THIS SECURITIES NOTE SETS OUT THE CONTRACTUAL TERMS UNDER WHICH THE BONDS ARE ISSUED BY THE COMPANY AND ACQUIRED BY A BONDHOLDER, WHICH TERMS SHALL REMAIN BINDING UNTIL THE REDEMPTION DATE OF THE BONDS, UNLESS THEY ARE OTHERWISE CHANGED IN ACCORDANCE WITH SUB-SECTION 6.17 OF THIS SECURITIES NOTE. THE INFORMATION CONTAINED HEREIN IS BEING MADE AVAILABLE IN CONNECTION WITH AN ISSUE BY THE ISSUER OF €13,500,000 UNSECURED BONDS 2029 OF A NOMINAL VALUE OF €50,000 EACH. THE BONDS SHALL BE ISSUED AT PAR AND BEAR INTEREST AT THE RATE OF 4.5% PER ANNUM PAYABLE ANNUALLY IN ARREARS ON 22 MARCH OF EACH YEAR UNTIL THE REDEMPTION DATE, WITH THE FIRST INTEREST PAYMENT FALLING DUE ON 22 MARCH 2020. THE NOMINAL VALUE OF THE BONDS WILL BE REPAYABLE IN FULL AT MATURITY ON 22 MARCH 2029. THE BOND ISSUE IS GUARANTEED BY INTERNATIONAL FENDER PROVIDERS LTD, IFP INTERNATIONAL FENDER PROVIDERS LIMITED AND P & C LIMITED.

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

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

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION: (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THE PROSPECTUS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND, ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY BONDS MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS IS ACCURATE AT ANY TIME SUBSEQUENT TO THE DATE ON WHICH IT IS SUPPLIED OR, IF DIFFERENT, THE DATE INDICATED IN THE DOCUMENT CONTAINING THE SAME.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT LEGAL ADVISORS, ACCOUNTANTS AND/OR OTHER FINANCIAL ADVISORS AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE BONDS AND THE PROSPECTUS.



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

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

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED THE DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING (THE “**PROSPECTUS DIRECTIVE**”) OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF THE PROSPECTUS DIRECTIVE, THE BONDS CAN ONLY BE OFFERED TO “QUALIFIED INVESTORS” (AS DEFINED IN THE PROSPECTUS DIRECTIVE), AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.

THE BONDS HAVE NOT BEEN, NOR WILL THEY BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933 AS AMENDED, OR UNDER ANY FEDERAL OR STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, OR ANY AREA SUBJECT TO ITS JURISDICTION (THE “**U.S.**”) OR TO OR FOR THE BENEFIT OF, DIRECTLY OR INDIRECTLY, ANY U.S. PERSON (AS DEFINED IN REGULATION “S” OF THE SAID ACT). FURTHERMORE, THE ISSUER WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT, 1940 AS AMENDED AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS SET OUT THEREIN. A COPY OF THE PROSPECTUS HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, TO THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE COMPANIES ACT.

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

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER’S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER’S WEBSITE DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE BONDS. THE ISSUER DISCLAIMS ANY AND ALL RESPONSIBILITY FOR ANY DEALINGS MADE, REPRESENTATIONS GIVEN, PROCESSES ADOPTED, FUNDS COLLECTED OR APPLICATIONS ISSUED BY AUTHORISED INTERMEDIARIES IN THEIR EFFORT TO PLACE OR RE-SELL THE BONDS SUBSCRIBED BY THEM.

ALL THE ADVISORS TO THE ISSUER AND THE GUARANTORS NAMED IN THE REGISTRATION DOCUMENT UNDER THE HEADING “*ADVISORS TO THE ISSUER AND GUARANTORS*” IN SUB-SECTION 4.3 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND THE GUARANTORS IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

**THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. THE NOMINAL VALUE OF THE BONDS WILL BE REPAYABLE IN FULL UPON MATURITY. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE BONDS.**

## 1 DEFINITIONS

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

<b>“Act” or “Companies Act”</b>	the Companies Act, 1995 (Chapter 386 of the laws of Malta);
<b>“Applicant/s”</b>	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
<b>“Application/s”</b>	the application to subscribe for Bonds made by an Applicant/s by completing an Application Form/s and delivering same to any of the Authorised Intermediaries (which include the Sponsor, Manager & Registrar) in accordance with the terms of this Securities Note;
<b>“Application Form/s”</b>	the form of application for subscription of Bonds, a specimen of which is contained in Annex 4 of this Securities Note;
<b>“Authorised Intermediaries”</b>	all the licensed stockbrokers and financial intermediaries listed in Annex 2 of this Securities Note;
<b>“Bond/s”</b>	a maximum of €13,500,000 unsecured bonds due 2029 of a nominal value of €50,000 per bond issued at par and redeemable on the Redemption Date at their nominal value, bearing interest at the rate of 4.5% per annum;
<b>“Bond Issue”</b>	the issue of the Bonds;
<b>“Bond Issue Price”</b>	the price of 100% of the nominal amount per Bond, or par;
<b>“Bondholder”</b>	a holder of Bonds to be issued by the Issuer in terms of the Prospectus;
<b>“Business Day”</b>	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
<b>“CET”</b>	Central European Time;
<b>“Collateral Rights”</b>	<p>the following security rights granted by the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd, as applicable, in favour of the Custodian for the benefit of Bondholders:</p> <ul style="list-style-type: none"> <li>(i) a first priority mortgage on each of Mumtaz, Vessel 2 and Vessel 3 (each as defined separately below), respectively, in the case of Vessel 2 and Vessel 3 once acquired, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed;</li> <li>(ii) a pledge by Endo Tankers Ltd of all of its shares held in each of Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd, respectively, from time to time, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Pledge Agreements and the Trust Deed; and</li> </ul> <p>a pledge over the proceeds from each of the Insurance Policies, in the case of Vessel 2 and Vessel 3 once acquired and the relative insurance policies are in force, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed;</p>
<b>“Company” or “Issuer”</b>	Endo Finance p.l.c., a company registered under the laws of Malta with company registration number C 89481 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta;
<b>“CSD”</b>	the Central Securities Depository of the Malta Stock Exchange authorised in terms of Part IV of the Financial Markets Act (Chapter 345 of the laws of Malta), having its address at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
<b>“Custodian”</b>	GVZH Trustees Limited, a private limited liability company duly registered and validly existing under the laws of Malta, with company registration number C 23095 and having its registered office at 192, Old Bakery Street, Valletta VLT 1455, Malta, which is duly authorised and qualified to act as a trustee or co-trustee in terms of Article 43(3) of the Trusts and Trustees Act (Chapter 331 of the laws of Malta), in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed;
<b>“Directors” or “Board”</b>	the directors of the Issuer whose names are set out in sub-section 4.1.1 of the Registration Document forming part of the Prospectus;
<b>“Endo Group” or “Group”</b>	Endo Ventures Ltd as the parent company and its direct and indirect subsidiaries, including the Issuer, the Guarantors, Endo One Maritime Ltd, Endo Two Maritime Ltd, Endo Three Maritime Ltd and any other subsidiary and associated company or entity, in which Endo Ventures Ltd has a controlling interest, involved, amongst other activities, in the business of acquiring, financing, managing and chartering commercial vessels;
<b>“Endo Tankers Sub-</b>	Endo Tankers Ltd and its direct wholly-owned subsidiaries Endo One Maritime Ltd, Endo Two

<b>Group</b>	Maritime Ltd, Endo Three Maritime Ltd and Intership Management Limited, forming part of the Endo Group;
<b>“Endo One Maritime Ltd”</b>	Endo One Maritime Ltd, a company registered under the laws of Malta with company registration number C 88665 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta;
<b>“Endo Tankers Ltd”</b>	Endo Tankers Ltd, a company registered under the laws of Malta with company registration number C 88663 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta;
<b>“Endo Three Maritime Ltd”</b>	Endo Three Maritime Ltd, a company registered under the laws of Malta with company registration number C 88674 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta;
<b>“Endo Trust”</b>	the trust established in virtue of the Trust Deed (as defined below), which deed is available for inspection at the registered office of the Issuer as set out in section 16 of the Registration Document forming part of the Prospectus;
<b>“Endo Two Maritime Ltd”</b>	Endo Two Maritime Ltd, a company registered under the laws of Malta with company registration number C 88666 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta;
<b>“Endo Ventures Ltd”</b>	Endo Ventures Ltd, a company registered under the laws of Malta with company registration number C 86730 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta;
<b>“Euro” or “€”</b>	the lawful currency of the Republic of Malta;
<b>“Exchange” or “Malta Stock Exchange” or “MSE”</b>	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Chapter 345 of the laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
<b>“Financial Analysis Summary”</b>	the financial analysis summary dated 06 March 2019 compiled by the Sponsor, Manager & Registrar in line with the applicable requirements of the Listing Authority policies and which is intended to summarise the key financial data set out in the Prospectus appertaining to the Issuer, a copy of which is set out in Annex 3 of this Securities Note;
<b>“Guarantee”</b>	the joint and several guarantee dated 27 November 2018 granted by the Guarantors as security for the punctual performance of the Issuer’s payment obligations under the Bond Issue. A copy of the Guarantee and a description of the nature, scope and terms of the Guarantee are appended to this Securities Note as Annex 1;
<b>“Guarantors”</b>	collectively, IFP Malta, IFP Cyprus and P & C Limited, each as defined below in this section 1;
<b>“Insurance Policy 2”</b>	the insurance policy providing for the replacement value of Vessel 2 to be purchased by Endo Two Maritime Ltd, as set out in sub-section 5.3.2.2 of the Registration Document forming part of the Prospectus;
<b>“Insurance Policy 3”</b>	the insurance policy providing for the replacement value of Vessel 3 to be purchased by Endo Three Maritime Ltd, as set out in sub-section 5.3.2.2 of the Registration Document forming part of the Prospectus;
<b>“Insurance Policy Mumtaz”</b>	the insurance policy providing for the replacement value of the vessel Mumtaz;
<b>“Insurance Policies”</b>	collectively, Insurance Policy 2, Insurance Policy 3 and Insurance Policy Mumtaz;
<b>“Interest Payment Date”</b>	22 March of each year between and including each of the years 2020 and the year 2029, provided that if any such day is not a Business Day such Interest Payment Date will be carried over to the next following day that is a Business Day;
<b>“Intermediaries’ Offer”</b>	shall have the meaning set out in sub-section 6.2 of this Securities Note;
<b>“International Fender Providers Ltd” or “IFP Malta”</b>	International Fender Providers Ltd, a company registered under the laws of Malta with company registration number C 69877 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta. International Fender Providers Ltd is a Guarantor of the Bond Issue;
<b>“IFP International Fender Providers Limited” or “IFP Cyprus”</b>	IFP International Fender Providers Limited, a company registered under the laws of Cyprus with company registration number HE 348221 and having its registered office at Florinis, 7, Greg Tower, 2 <sup>nd</sup> Floor, 1065, Nicosia, Cyprus. IFP International Fender Providers Limited is a Guarantor of the Bond Issue;
<b>“Issue Date”</b>	expected on 22 March 2019;
<b>“Issue Period”</b>	the period between 08:30 hours CET on 15 March 2019 and 12:00 hours CET on 21 March 2019 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;



<b>“Listing Authority”</b>	the Board of Governors of the Malta Financial Services Authority, appointed as the Listing Authority for the purposes of the Financial Markets Act (Chapter 345 of the laws of Malta);
<b>“Listing Rules”</b>	the listing rules issued by the Listing Authority, as may be amended from time to time;
<b>“Loan Agreement”</b>	the loan agreement entered into on 6 March 2019 by and between the Issuer (as lender), Endo Tankers Ltd (as borrower), Endo One Maritime Ltd, Endo Two Maritime Ltd, Endo Three Maritime Ltd (all three entities as joint and several guarantors) and the Custodian (as security agent) pursuant to and in accordance with the terms and conditions of which part of the proceeds from the Bond Issue amounting to €13,100,000 shall be advanced by title of loan from the Issuer to Endo Tankers Ltd;
<b>“Malta Stock Exchange Bye-Laws”</b>	the Malta Stock Exchange p.l.c. bye-laws issued by the authority of the board of directors of Malta Stock Exchange p.l.c., as may be amended from time to time;
<b>“MFSA”</b>	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, 1989 (Chapter 330 of the laws of Malta);
<b>“MiFIR”</b>	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
<b>“Mumtaz Maritime Company Limited”</b>	Mumtaz Maritime Company Limited, a company registered under the laws of Malta with company registration number C 73983 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta;
<b>“Mumtaz”</b>	the vessel bearing IMO number 9268514 owned by Endo One Maritime Ltd as set out in subsection 5.3.2.1 of the Registration Document forming part of the Prospectus;
<b>“Official List”</b>	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the Malta Stock Exchange Bye-Laws;
<b>“P &amp; C Limited”</b>	P & C Limited, a company registered under the laws of Malta with company registration number C 13033 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta. P & C Limited is a Guarantor of the Bond Issue;
<b>“Pledge Agreement 1”</b>	the pledge of shares agreement to be dated on or around 22 March 2019 entered into by and between the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd and the Custodian pursuant to which Endo Tankers Ltd granted a pledge over all of its shares held in Endo One Maritime Ltd, from time to time, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed;
<b>“Pledge Agreement 2”</b>	the pledge of shares agreement to be dated on or around 22 March 2019 entered into by and between the Issuer, Endo Tankers Ltd, Endo Two Maritime Ltd and the Custodian pursuant to which Endo Tankers Ltd granted a pledge over all of its shares held in Endo Two Maritime Ltd, from time to time, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed;
<b>“Pledge Agreement 3”</b>	the pledge of shares agreement to be dated on or around 22 March 2019 entered into by and between the Issuer, Endo Tankers Ltd, Endo Three Maritime Ltd and the Custodian pursuant to which Endo Tankers Ltd granted a pledge over all of its shares held in Endo Three Maritime Ltd, from time to time, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed;
<b>“Pledge Agreements”</b>	collectively, Pledge Agreement 1, Pledge Agreement 2 and Pledge Agreement 3;
<b>“Primary Beneficiaries”</b>	the Bondholders from time to time;
<b>“Prospectus”</b>	collectively, the Summary Note, the Registration Document and this Securities Note, all dated 6 March 2019, as such documents may be amended, updated, replaced and supplemented from time to time;
<b>“Prospectus Directive”</b>	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as may be amended from time to time;
<b>“Redemption Date”</b>	22 March 2029;
<b>“Redemption Value”</b>	the nominal value of each Bond (€50,000 per Bond);
<b>“Registration Document”</b>	the registration document issued by the Issuer dated 06 March 2019, forming part of the Prospectus;
<b>“Regulation”</b>	Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus and dissemination of advertisements, as amended by: Commission



Delegated Regulation (EU) No. 486/2012 of 30 March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 amending Regulation (EC) No. 809/2004 as regards to regulatory technical standards for publication of supplements to the prospectus; 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;

<b>“Securities Note”</b>	this securities note in its entirety issued by the Issuer dated 06 March 2019, forming part of the Prospectus;
<b>“Sponsor, Manager &amp; Registrar”</b>	Calamatta Cuschieri Investment Services Limited, a private limited liability company registered under the laws of Malta having its registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta and bearing company registration number C 13729. Calamatta Cuschieri Investment Services Limited is authorised to conduct investment services by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the laws of Malta) and is a member of the MSE;
<b>“Summary Note”</b>	the summary note issued by the Issuer dated 6 March 2019, forming part of the Prospectus;
<b>“Terms and Conditions”</b>	the terms and conditions of the Bonds, set out in sub-sections 5.3 ( <i>‘Issue Statistics’</i> ), 6 ( <i>‘Information concerning the Bonds’</i> ) and 8 ( <i>‘Terms and Conditions of the Bond Issue’</i> ) of this Securities Note;
<b>“Trust Deed”</b>	the security trust deed to be dated on or around 22 March 2019 and entered into by and between the Custodian, the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd, in virtue of which the Custodian is appointed to hold and administer the Collateral Rights for the benefit of Bondholders;
<b>“Vessel 2”</b>	the vessel to be purchased by Endo Two Maritime Ltd by means of financing provided by the Issuer from the net proceeds of the Bond Issue, as set out in sub-section 5.3.2.2 of the Registration Document;
<b>“Vessel 3”</b>	the vessel to be purchased by Endo Three Maritime Ltd by means of financing provided by the Issuer from the net proceeds of the Bond Issue, as set out in sub-section 5.3.2.2 of the Registration Document; and
<b>“Vessels”</b>	Mumtaz, Vessel 2 and Vessel 3.

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*;
- (c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
- (d) any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- (e) any reference to a person includes that person’s legal personal representatives, successors and assigns;
- (f) any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression is illustrative only and does not limit the sense of the words preceding those terms;
- (g) any reference to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of publication of this Securities Note.

## 2 RISK FACTORS

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

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

AN INVESTMENT IN THE BONDS INVOLVES CERTAIN RISKS, INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE DECIDING TO MAKE AN INVESTMENT IN THE BONDS. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES.

NEITHER THIS SECURITIES NOTE, NOR ANY OTHER PARTS OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE BONDS: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER, THE GUARANTORS, THE SPONSOR, MANAGER & REGISTRAR, THE CUSTODIAN OR AUTHORISED INTERMEDIARIES THAT ANY RECIPIENT OF THIS SECURITIES NOTE OR ANY OTHER PART OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS OR ANY BONDS, SHOULD PURCHASE ANY BONDS ISSUED BY THE ISSUER.

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

### 2.1 Forward-looking statements

This Securities Note contains “forward-looking statements” which include, among others, statements concerning matters that are not historical facts and which may involve projections of future circumstances. These statements by their nature involve a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer’s control, and important factors that could cause actual risks to differ materially from the expectations of the Issuer’s and/or Guarantor’s directors. Such forecasts and projections do not bind the Issuer with respect to future results and no assurance can be given that future results or expectations covered by such forward-looking statements will be achieved.

### 2.2 Suitability of investment

An investment in the Issuer and the Bonds may not be suitable for all recipients of the Prospectus and prospective investors are urged to consult an independent investment advisor licensed under the Investment Services Act (Chapter 370 of the laws of Malta) as to the suitability or otherwise of an investment in the Bonds before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference to the Prospectus or any applicable supplement;
- (ii) has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the prospective investor’s currency;
- (iii) understands thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant indices and financial markets; and
- (iv) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect his/her/its investment and his/her/its ability to bear the applicable risks.

### 2.3 Risks relating to the Bonds

An investment in the Bonds involves certain risks including, but not limited to, those described below:

- The existence of an orderly and liquid market for the Bonds depends on a number of factors including, but not limited to, the presence of willing buyers and sellers of the Issuer's Bonds at any given time. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market in which the Bonds are traded, over which the Issuer has no control. Many other factors over which the Issuer has no control may affect the trading market for, and trading value of, the Bonds, including the time remaining to the maturity of the Bonds, the outstanding amount of the Bonds and the level, direction and volatility of market interest rates, generally. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price, or at all.
- Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.
- A Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different.
- No prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time. If such changes take place they could have an adverse effect on the market price for the Bonds.
- The Bonds, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantors jointly and severally. The Bonds shall at all times rank *pari passu* without any priority or preference among themselves and, save for such exceptions as may be provided by applicable law and with first ranking and priority over the Collateral Rights, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer and the Guarantors, if any. In view of the fact that the Bonds are being guaranteed by the Guarantors on a joint and several basis, the Bondholders shall be entitled to request the Guarantors to pay both the interest due and the principal amount under said Bonds if the Issuer fails to meet any amount when due in terms of the Prospectus. The joint and several Guarantee also entitles the Bondholders to take action against the Guarantors without having to first take action against the Issuer. The strength of this undertaking on the part of the Guarantors and, therefore, the level of recoverability by the Bondholders from the Guarantors of any amounts due under any of the Bonds, is dependent upon and directly linked to the financial position and solvency of the Guarantors. The Bond Issue is supported by the Collateral Rights that are to be granted in favour of the Custodian for the benefit and in the interest of Bondholders. Whilst the Custodian is to be granted a right of preference and priority for repayment over the Collateral Rights, there can be no guarantee that the value of the Collateral Rights over the term of the Bonds will be sufficient to cover the full amount of interest and principal outstanding under the Bonds. This may be caused by a number of factors, not least of which general economic factors that could have an adverse impact on the value of one or more of the Vessels or the Collateral Rights generally. If such circumstances were to arise or subsist at the time that the Collateral Rights are to be enforced by the Custodian, it could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Bonds. There can be no guarantee that privileges accorded by law in specific situations will not arise during the course of the business of each of the Issuer, the Guarantors and other Group companies which may rank with priority or preference to the Collateral Rights. Furthermore, subject to the negative pledge clause set out in sub-section 6.6 of this Securities Note, third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer for so long as such security interests remain in effect.
- Even after the Bonds are admitted to trading on the MSE, the Issuer is required to remain in compliance with certain requirements relating, *inter alia*, to the free transferability, clearance and settlement of the Bonds in order to remain a listed company in good standing. Moreover, the Listing Authority has the authority to suspend trading or listing of the Bonds if, *inter alia*, it comes to believe that such a suspension is required for the protection of investors or the integrity or reputation of the market. The Listing Authority may discontinue the listing of the Bonds on the MSE. Any such trading suspensions or listing revocations / discontinuations could have a material adverse effect on the liquidity and value of the Bonds.
- In the event that the Issuer wishes to amend any of the Terms and Conditions of the Bonds it shall call a meeting of Bondholders in accordance with the provisions of sub-section 6.17 of this Securities Note. These provisions

permit defined majorities to bind all Bondholders, including Bondholders who do not attend and vote at the relevant meeting and Bondholders who vote in a manner contrary to the majority.

- **The Bonds and the Terms and Conditions of the Bond Issue are based on the requirements of the Listing Rules, the Companies Act and the Regulation in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus.**

### 3 PERSONS RESPONSIBLE

This Securities Note includes information given in compliance with the Listing Rules for the purpose of providing prospective investors with information with regard to the Issuer, the Guarantors and the Bonds. All of the Directors of the Issuer whose names appear in sub-section 4.1.1 of the Registration Document accept responsibility for all the information contained in the Prospectus.

To the best of the knowledge and belief of the Directors of the Issuer, who have taken all reasonable care to ensure that such is the case, the information contained in this Securities Note is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Issuer hereby accept responsibility accordingly.

### 4 CONSENT FOR USE OF THE PROSPECTUS

#### **Consent required in connection with use of the Prospectus during the Issue Period by Authorised Intermediaries:**

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

- in respect of Bonds subscribed for through Authorised Intermediaries during the Issue Period;
- to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place in Malta; and
- to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place within the period of 60 days from the date of the Prospectus.

There are no other conditions attached to the consent given by the Issuer hereby which are relevant for the use of the Prospectus.

All information on the Terms and Conditions of the Bonds which is offered to any prospective investor by Authorised Intermediaries is to be provided by such Authorised Intermediaries to the prospective investor prior to such investor subscribing to any Bonds. Any interested investor has the right to request that Authorised Intermediaries provide the investor with all and any information on the Prospectus, including the Terms and Conditions of the Bonds.

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

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

Prospective investors should enquire whether an intermediary is considered to be an Authorised Intermediary in terms of the Prospectus. If the prospective investor is in doubt as to whether it can rely on the Prospectus and/or who is responsible for its contents, the investor should obtain legal advice in that regard.



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

**In the event of a resale, placement or other offering of Bonds by an Authorised Intermediary, said Authorised Intermediary shall be responsible to provide information to prospective investors on the terms and conditions of the resale, placement or other offering at the time such is made.**

Any resale, placement or offering of Bonds to an investor by an Authorised Intermediary will be made in accordance with any terms and other arrangements in place between such Authorised Intermediary and such investor, including price, allocations and settlement arrangements. Where such information is not contained in the Prospectus, it will be the responsibility of the relative Authorised Intermediary at the time of such resale, placement or other offering to provide the prospective investor with that information and neither the Issuer nor the Sponsor, Manager & Registrar have any responsibility or liability for such information.

**Any Authorised Intermediary using the Prospectus in connection with a resale, placement or other offering of Bonds subsequent to the Bond Issue shall, limitedly for the period of 60 days from the date of the Prospectus, publish on its website a notice to the effect that it is using the Prospectus for such resale or placement in accordance with the consent of the Issuer and the conditions attached thereto. The consent provided herein shall no longer apply following the lapse of such period.**

Any new information with respect to Authorised Intermediaries unknown at the time of the approval of this Securities Note will be made available through a company announcement which will also be made available on the Issuer's website: [www.endofinance.com](http://www.endofinance.com)

## 5 KEY INFORMATION

### 5.1 Reasons for the Issue and use of proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €13,100,000, will be on-lent to Endo Tankers Ltd by the Issuer pursuant to the Loan Agreement and shall be utilised for the following purposes, in the amounts and order of priority set out below:

- a) an amount of *circa* €8,400,000 of the net Bond Issue proceeds will be used to finance the acquisition by Endo Two Maritime Ltd of Vessel 2, being a vessel having substantially the characteristics set out in sub-section 5.3.2.2 of the Registration Document;
- b) an amount of *circa* €4,200,000 of the net Bond Issue proceeds will be used to finance the acquisition by Endo Three Maritime Ltd of Vessel 3, being a vessel having substantially the characteristics set out in sub-section 5.3.2.2 of the Registration Document; and
- c) the remaining balance of *circa* €500,000 of the net Bond Issue proceeds will be used for general corporate funding purposes of the Endo Group.

In the event that the Bond Issue is not fully subscribed, the Issuer will proceed with the listing of the amount of Bonds subscribed for and the proceeds from the Bond Issue shall be applied in the manner and order of priority set out above. Any residual amounts required by the Issuer for the purposes of the uses specified in this sub-section 5.1 which shall not have been raised through the Bond Issue shall be financed from the Group's general cash flow and/or bank financing.

Part of the proceeds from the Bond Issue amounting to €13,100,000 (that is, less the amount of *circa* €400,000 of the Bond Issue proceeds which shall be used to settle all costs and expenses incurred in connection with the Bond Issue, as set out in sub-section 5.2 of this Securities Note) shall be advanced by title of loan from the Issuer to Endo Tankers Ltd pursuant to and in accordance with the terms and conditions of the Loan Agreement entered into by and between the Issuer (as lender), Endo Tankers Ltd (as borrower), Endo One Maritime Ltd, Endo Two Maritime Ltd, Endo Three Maritime Ltd (all three entities as joint and several guarantors) and the Custodian (as security agent) on 6 March 2019. In virtue of the Loan Agreement, Endo Tankers Ltd will, in turn, use said proceeds as follows:

- i. an amount of €12,600,000 of the Bond Issue proceeds (that is, the proceeds referred to in paragraphs (a) and (b) of this sub-section 5.1) shall be transferred to the Custodian to be held by the Custodian on escrow (pursuant to the terms of an escrow agreement to be entered into by and between Endo Tankers Ltd and the Custodian for the purpose) pending identification of Vessel 2 and Vessel 3, respectively, and upon the release of funds by the Custodian for the acquisition of each of the said vessels the relative security contemplated under the Collateral Rights shall be perfected in respect of each of the said vessels so acquired, in accordance with the provisions of the Trust Deed. Specifically, the relative funds shall be released by the Custodian to Endo Tankers Ltd, up to the amount necessary to finance the acquisitions of Vessel 2 and Vessel 3, respectively, to be used by Endo Tankers Ltd to subscribe to shares in Endo Two Maritime Ltd in an amount of *circa* €8,400,000 and to shares in Endo Three Maritime Ltd in an amount of *circa* €4,200,000, for such funds to be used by said entities to finance the acquisitions of Vessel 2 and Vessel 3, respectively. Immediately upon acquisition of each of Vessel 2 and Vessel 3, each of Endo Two Maritime Ltd and Endo Three Maritime Ltd, respectively, shall procure the perfection of the Collateral Rights over the respective vessels so acquired, as applicable – the delay or failure on the part of either or both of Endo Two Maritime Ltd and/or Endo Three Maritime Ltd to perfect the Collateral Rights over the respective vessels so acquired shall constitute an event of default under the Loan Agreement thereby leading to the automatic termination of the Loan Agreement and having the effect of the relative loan amount granted by the Issuer to Endo Tankers Ltd thereunder, or such part thereof as may be outstanding, becoming immediately due and repayable in full, together with accrued interest. Moreover, immediately upon the subscription of additional shares by Endo Tankers Ltd in each of Endo Two Maritime Ltd and Endo Three Maritime Ltd as aforesaid, Endo Tankers Ltd shall grant an additional pledge over all said additional shares issued and allotted in the capital of Endo Two Maritime Ltd and Endo Three Maritime Ltd, respectively, in favour of the Custodian in its capacity as trustee of the Endo Trust;
- ii. an amount of *circa* €500,000 of the Bond Issue proceeds shall be used in connection with the general corporate funding purposes of the Endo Group in terms of sub-section 5.1(c) of this Securities Note.

Any unutilised amount of net Bond Issue proceeds transferred to the Custodian to be held by the Custodian on escrow as set out in sub-section 5.1(i) above following the acquisitions of Vessel 2 and Vessel 3 as aforesaid will be released by the Custodian to Endo Tankers Ltd to be used in connection with the Endo Group’s general corporate funding purposes. Similarly, any unutilised amount of the Bond Issue proceeds allocated for settlement of the costs and expenses incurred in connection with the Bond Issue (as set out in sub-section 5.2 of this Securities Note) shall be used for the general corporate funding purposes of the Endo Group.

In terms of the Prospectus, the Trust Deed, the Loan Agreement, the Pledge Agreements and the escrow agreement to be entered into for the purpose, the Custodian shall not release any of the Bond Issue net proceeds referred to in paragraphs (a) and (b) of this sub-section 5.1 other than such amount as is required to settle the consideration for the acquisitions of Vessel 2 and Vessel 3, respectively.

## 5.2 Estimated expenses and proceeds of the Issue

The Issue will involve expenses, including professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, selling commission and other miscellaneous costs incurred in connection with the Bond Issue. Such expenses are estimated not to exceed €400,000 and shall be borne by the Issuer. The amount of the expenses will be deducted from the proceeds of the Issue, which, accordingly, will bring the estimated net proceeds from the Bond Issue to €13,100,000. There is no particular order of priority with respect to such expenses.

## 5.3 Issue statistics

“Amount”:	€13,500,000;
“Application Forms made available”:	15 March 2019;
“Bond Issue Price”:	at par (100% of the nominal amount per Bond);



**“Closing date for Applications to be received”:**

21 March 2019 at 12:00 hours CET;

**“Denomination”:** Euro (€);

**“Events of Default”:** the events listed in sub-section 6.14 of this Securities Note;

**“Form”:** the Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD;

**“Governing law and jurisdiction”:** the Prospectus and the Bonds are governed by and shall be construed in accordance with Maltese law. The Maltese Courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Prospectus and/or the Bonds;

**“Interest”:** the Bonds shall bear interest from and including 22 March 2019 at the rate of four and a half per cent (4.5%) per annum payable annually in arrears on the Interest Payment Dates;

**“Interest Payment Date”:** annually on the 22 March between and including each of the years 2020 and 2029, as from 22 March 2020 (the first interest payment date);

**“Intermediaries’ Offer”:** the Bonds shall form part of an Intermediaries’ Offer as set out in sub-section 6.2 of this Securities Note. In the event that the aggregate of the subscription agreements received from Authorised Intermediaries in terms of the Intermediaries’ Offer is in excess of the amount of Bonds available for subscription, the Issuer (acting through the Sponsor, Manager & Registrar) shall scale down each subscription agreement received from Authorised Intermediaries in accordance with the allocation policy to be issued in terms of sub-section 6.4 of this Securities Note;

**“ISIN”:** MT 0002141209;

**“Issue”:** Bonds denominated in Euro having a nominal value of €50,000 each, which will be issued at par and shall bear interest at the rate of 4.5% per annum;

**“Issue Period”:** the period between 08:30 hours CET on 15 March 2019 and 12:00 hours CET on 21 March 2019 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;

**“Listing”:** the Listing Authority has approved the Bonds for admissibility to listing and subsequent trading on the Official List. Application has been made to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List;

**“Minimum amount per subscription and holding”:** Minimum of €50,000 per individual Bondholder and a subsequent minimum holding of €50,000 per individual Bondholder maintained throughout his/her/its investment;

<b>“Plan of distribution”:</b>	the Bonds are open for subscription by all categories of investors, including the general public, through Authorised Intermediaries pursuant to the Intermediaries’ Offer;
<b>“Redemption Date”:</b>	22 March 2029;
<b>“Redemption Value”:</b>	at par (100% of the nominal amount per Bond, or par);
<b>“Status of the Bonds”:</b>	the Bonds, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantors jointly and severally. The Bonds shall at all times rank <i>pari passu</i> , without any priority or preference among themselves and with other outstanding and unsecured debt of the Issuer and the Guarantors, present and future, save for such exceptions as may be provided by applicable law, and with first ranking and priority over the Collateral Rights. In the event of any shortfall in funds required in connection with the repayment of the principal amount under the Bonds, the Issuer’s shareholders have undertaken, in virtue of a resolution entered into for the purpose on 27 November 2018, to inject the necessary funds to effect the redemption of the Bonds on the Redemption Date through an equity injection;
<b>“Subscription”:</b>	multiples of fifty thousand Euro (€50,000);
<b>“Underwriting”:</b>	the Bond Issue is not underwritten.

#### 5.4 Interest of natural and legal persons involved in the Issue

Save for the possible subscription for Bonds by Authorised Intermediaries (which include the Sponsor, Manager & Registrar) and any fees payable to Calamatta Cuschieri Investment Services Limited as Sponsor, Manager & Registrar in connection with the Bond Issue, so far as the Issuer is aware no person involved in the Issue has an interest material to the Bond Issue.

#### 5.5 Collateral Rights

Partial security for the fulfilment of the Issuer’s obligations in terms of the Bond Issue is to be granted in favour of the Custodian for the benefit of Bondholders, by way, *inter alia*, of the granting of the Collateral Rights, as described hereunder.

Specifically, the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd have agreed to grant the Collateral Rights in favour of the Custodian for the benefit of Bondholders, as Primary Beneficiaries, in terms of the Trust Deed and the Pledge Agreements, and for such purpose have appointed the Custodian to hold and administer the Collateral Rights under trust. The Collateral Rights will secure the claim of the Custodian, for the benefit and in the interest of Bondholders, for the repayment of part of the amount of the principal and interest under the Bonds by a preferred claim over the Collateral Rights. The initial Custodian is GVZH Trustees Limited.

The Bondholders shall have the benefit of the following security under the Bonds in terms of the Prospectus, the Trust Deed and the Pledge Agreements:

- a first priority mortgage on each of Mumtaz, Vessel 2 and Vessel 3, respectively, in the case of Vessel 2 and Vessel 3 once acquired, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed;
- a pledge by Endo Tankers Ltd of all of its shares held in each of Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd, respectively, from time to time in favour of the

- Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Pledge Agreements and the Trust Deed (all shares held by Endo Tankers Ltd in each of Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd, respectively, as at the date of the Prospectus have been pledged by Endo Tankers Ltd in favour of the Custodian in its capacity as trustee of the Endo Trust, in virtue of the Pledge Agreements); and
- a pledge over the proceeds from each of the Insurance Policies, in the case of Vessel 2 and Vessel 3 once acquired and the relative insurance policies are in force, in favour of the Custodian in its capacity as trustee of the Endo Trust pursuant to the terms of the Trust Deed.

The aforesaid security shall be constituted in favour of the Custodian for the benefit of all Bondholders from time to time registered in the CSD.

The Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd have entered into a Trust Deed with the Custodian which consists of the covenants of the Issuer to secure, pursuant to the granting of the Collateral Rights and up to the value of the Collateral Rights from time to time, the payment of part of the principal amount under the Bonds on the Redemption Date and interest thereon on each Interest Payment Date, and all other ancillary obligations, rights and benefits under the Trust Deed and the Pledge Agreements. The Collateral Rights will be vested in the Custodian for the benefit of the Bondholders in proportion to their respective holding of Bonds from time to time. Pursuant to the provisions of the Trust Deed and the Pledge Agreements, (i) the pledge by Endo Tankers Ltd of all of its shares held in each of Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd, respectively, as at the date of the Prospectus, (ii) a first priority mortgage on Mumtaz, and (iii) a pledge over the proceeds from the Insurance Policy Mumtaz, all forming part of the Collateral Rights, have been duly constituted in favour of the Custodian on the date of the Prospectus. Following the issue and allotment of the Bonds and upon the acquisition of Vessel 2 and Vessel 3, respectively, the remaining Collateral Rights shall be constituted in favour of the Custodian, which will, accordingly, have the benefit of priority in ranking over the Vessels.

The Custodian's role includes holding and administering the Collateral Rights for the benefit of the Bondholders and the enforcement of the said Collateral Rights upon the happening of an Event of Default in terms of sub-section 6.14 of this Securities Note. The Custodian shall have no payment obligations to Bondholders under the Bonds, which remain exclusively the obligations of the Issuer.

The Custodian shall hold the said property under trust in relation to a commercial transaction (as defined in the Trust and Trustees Act, Chapter 331 of the laws of Malta) and transactions connected or ancillary thereto. Furthermore, the Custodian shall hold the said property under a security trust as provided in Article 2095E of the Civil Code (Chapter 16 of the laws of Malta). The security has, therefore, been constituted in the name of the Custodian in the manner provided for by applicable law of Malta for the benefit of the Bondholders and this for amounts owing to the Bondholders by the Issuer in terms of the Prospectus, as may be amended from time to time, including amounts of interest or charges due in terms thereof, in relation to the Bonds.

In the event that the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and/or Endo Three Maritime Ltd commits any of the Events of Default set out in sub-section 6.14 below, as applicable, including default of the Issuer's obligations to repay any Bonds (together with interest and charges thereon) in terms of this Securities Note, or any default under the Trust Deed and/or under the Pledge Agreements, the Custodian shall have the authority to enforce the Collateral Rights as set out hereunder.

The Custodian shall not be bound to take any steps to ascertain whether any Event of Default or other similar condition, event or circumstance has occurred or may occur, and, until it shall have actual knowledge or express notice to the contrary, the Custodian shall be entitled to assume that no such Events of Default or condition, event or other circumstance has happened and that each of the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd is observing and performing all the obligations, conditions and provisions on its part pursuant to the Prospectus, the Pledge Agreements and the Trust Deed, as applicable.

Following the Custodian's enforcement of the Collateral Rights, the Custodian shall apply any available funds as follows:

- first to pay any sums due to the Custodian as trust administration costs or liabilities of the Custodian; and
- secondly to pay the Bondholders outstanding dues by the Issuer in terms of the Prospectus.

In terms of the Trust Deed, the Custodian shall retain the discretion to substitute the security property held as collateral in terms of this Securities Note with alternative security from time to time, subject to an independent valuation report confirming to the satisfaction of the Custodian that the value of the security being substituted and added to the rights constituting the Collateral Rights is at least equal to the value of the security to be removed as a security property at such date.

In the event where the Custodian makes declarations of trust indicating additional property settled on trust, the Issuer shall make the necessary company announcement in accordance with the Listing Rules to that effect.

Without prejudice to other powers and discretions of the Custodian in terms of the Trust Deed and the Pledge Agreements, the Custodian shall have the discretion to enforce the Collateral Rights on its own accord or upon receiving notice from the Bondholders that any of the Events of Default set out in sub-section 6.14 of this Securities Note has occurred in accordance with the provisions hereof.

The Custodian shall have the discretion to postpone any sale of the assets held on trust if the best value reasonably achievable for the said assets on the open market for the time being would not be considered a fair value in the opinion of the Custodian or in the opinion of any advisor appointed by the Custodian for the valuation of the said assets.

No provision contained in the Prospectus, the Pledge Agreements and/or the Trust Deed shall be construed as creating or otherwise acknowledging any obligation on the part of the Custodian in favour of the Bondholders for any payments that may fall due under the Bonds.

In terms of the Trust Deed, the Endo Trust shall terminate in any of the following events, whichever is the earliest:

- upon the Issuer repaying all amounts outstanding to the Bondholders in terms of the Prospectus and upon the Custodian receiving confirmation in writing to this effect from the Issuer and/or the MSE; or
- after one hundred and twenty-five (125) years from the date of the Trust Deed; or
- on such earlier date as the Custodian shall declare in writing to be the date on which the relative trust period shall end, provided that such action is in accordance with the terms of the Prospectus and the Pledge Agreements.

Every Bondholder shall be entitled to be entered in the register of Bondholders maintained by the CSD and shall, thereupon, become a Primary Beneficiary under the Trust Deed. The beneficial interest of a Primary Beneficiary in terms of the Trust Deed shall terminate upon such time as a Bondholder is no longer registered in the register of Bondholders maintained by the CSD, or upon the redemption of the principal amount of the Bonds and payment of all interest thereunder, as the case may be.

The Custodian shall, so far as is reasonable and within a reasonable time of receiving a request in writing to that effect, provide full and accurate information on the Trust Deed to beneficiaries of the Endo Trust.

## 5.6 Expected timetable of principal events

1	Application Forms made available	15 March 2019
2	Intermediaries' Offer period	15 March 2019 (from 08:30 CET) to 21 March 2019 (by 12:00 CET)
3	Announcement of basis of acceptance	22 March 2019
4	Issue date of the Bonds	22 March 2019
5	Commencement of interest	22 March 2019
6	Expected date of admission of the Bonds to listing	29 March 2019
7	Expected dispatch of allotment advices and refunds (if any)	29 March 2019
8	Expected date of commencement of trading in the Bonds	01 April 2019

The Issuer reserves the right to close the offer of Bonds before 21 March 2019 at 12:00 CET in the event that the Bonds are fully subscribed prior to said date and time.

## 6 INFORMATION CONCERNING THE BONDS

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

### 6.1 General

- 6.1.1 EACH BOND FORMS PART OF A DULY AUTHORISED ISSUE OF 4.5% UNSECURED BONDS 2029 OF A NOMINAL VALUE OF €50,000 PER BOND ISSUED BY THE ISSUER AT PAR UP TO THE PRINCIPAL AMOUNT OF €13,500,000 (EXCEPT AS OTHERWISE PROVIDED UNDER SUB-SECTION 6.16 “FURTHER ISSUES” BELOW). THE ISSUE DATE OF THE BONDS IS EXPECTED TO BE 22 MARCH 2019. THE BONDS ARE SUPPORTED BY THE GRANTING OF THE COLLATERAL RIGHTS IN FAVOUR OF THE CUSTODIAN FOR THE BENEFIT OF BONDHOLDERS, AS PRIMARY BENEFICIARIES, IN TERMS OF THE TRUST DEED. THE BOND ISSUE IS GUARANTEED BY IFP MALTA, IFP CYPRUS AND P & C LIMITED.**
- 6.1.2 THE CURRENCY OF THE BONDS IS EURO (€).**
- 6.1.3 THE BONDS SHALL BEAR INTEREST AT THE RATE OF 4.5% PER ANNUM PAYABLE ANNUALLY IN ARREARS ON 22 MARCH OF EACH YEAR, THE FIRST INTEREST PAYMENT FALLING ON 22 MARCH 2020. ANY INTEREST PAYMENT DATE WHICH FALLS ON A DAY OTHER THAN A BUSINESS DAY WILL BE CARRIED OVER TO THE NEXT FOLLOWING DAY THAT IS A BUSINESS DAY.**
- 6.1.4 SUBJECT TO ADMISSION TO LISTING OF THE BONDS TO THE OFFICIAL LIST, THE BONDS ARE EXPECTED TO BE ASSIGNED ISIN: MT0002141209.**
- 6.1.5 THE BONDS ARE EXPECTED TO BE LISTED ON THE OFFICIAL LIST ON 29 MARCH 2019 AND DEALING IS EXPECTED TO COMMENCE ON 01 APRIL 2019. DEALING MAY COMMENCE PRIOR TO NOTIFICATION OF THE AMOUNT ALLOTTED BEING ISSUED TO APPLICANTS.**
- 6.1.6 ALL OUTSTANDING BONDS NOT PREVIOUSLY PURCHASED AND CANCELLED SHALL BE REDEEMED BY THE ISSUER AT PAR (TOGETHER WITH ACCRUED INTEREST TO THE DATE FIXED FOR REDEMPTION) ON THE REDEMPTION DATE.**
- 6.1.7 SHOULD ANY APPLICATION NOT BE ACCEPTED, OR BE ACCEPTED FOR FEWER BONDS THAN THOSE APPLIED FOR, THE MONIES OR THE BALANCE OF THE AMOUNT PAID BUT NOT ALLOCATED WILL BE RETURNED BY THE SPONSOR, MANAGER & REGISTRAR WITHOUT INTEREST BY DIRECT CREDIT INTO THE APPLICANT’S BANK ACCOUNT AS INDICATED BY THE APPLICANT IN THE APPLICATION FORM WITHIN FIVE (5) BUSINESS DAYS FROM THE DATE OF FINAL ALLOCATION. NEITHER THE ISSUER NOR THE SPONSOR, MANAGER & REGISTRAR WILL BE RESPONSIBLE FOR ANY CHARGES, LOSS OR DELAYS IN TRANSMISSION OF THE REFUNDS. IN THIS REGARD, ANY MONIES RETURNABLE TO APPLICANTS MAY BE RETAINED PENDING CLEARANCE OF THE REMITTANCE AND ANY VERIFICATION OF IDENTITY AS REQUIRED BY THE PREVENTION OF MONEY LAUNDERING ACT, 1994 (CHAPTER 373 OF THE LAWS OF MALTA) AND REGULATIONS MADE THEREUNDER. SUCH MONIES WILL NOT BEAR INTEREST WHILE RETAINED AS AFORESAID.**
- 6.1.8 THERE ARE NO SPECIAL RIGHTS ATTACHED TO THE BONDS OTHER THAN THE RIGHT OF THE BONDHOLDERS TO PAYMENT OF INTEREST AND CAPITAL (AS DETAILED IN SUB-SECTION 6.12 BELOW), THE BENEFIT OF THE**

**COLLATERAL RIGHTS THROUGH THE CUSTODIAN (AS DETAILED IN SUB-SECTION 5.5 ABOVE) AND IN ACCORDANCE WITH THE RANKING SPECIFIED IN SUB-SECTION 6.5 OF THIS SECURITIES NOTE.**

- 6.1.9 THE MINIMUM SUBSCRIPTION AMOUNT OF BONDS THAT CAN BE SUBSCRIBED FOR BY APPLICANTS IS €50,000, AND IN MULTIPLES OF €50,000 THEREAFTER.**
- 6.1.10 SUBSCRIPTION LISTS IN RELATION TO THE INTERMEDIARIES' OFFER WILL OPEN AT 08:30 HOURS CET ON 15 MARCH 2019. THE ISSUE PERIOD SHALL CLOSE ON 21 MARCH 2019 AT 12:00 HOURS CET. THE ISSUER WILL DETERMINE AND ANNOUNCE THE ALLOCATION POLICY FOR THE BONDS WITHIN FIVE (5) BUSINESS DAYS OF THE CLOSING OF THE ISSUE PERIOD. THE RESULTS OF THE OFFER, INCLUDING THE ALLOCATION POLICY, WILL BE ANNOUNCED THROUGH A COMPANY ANNOUNCEMENT. IT IS EXPECTED THAT ALLOTMENT LETTERS WILL BE DISPATCHED TO BONDHOLDERS WITHIN FIVE (5) BUSINESS DAYS OF THE DATE OF THE ANNOUNCEMENT OF THE ALLOCATION POLICY.**
- 6.1.11 THE ISSUE OF THE BONDS IS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES, THE ACT AND THE REGULATION.**
- 6.1.12 THE BOND ISSUE IS NOT UNDERWRITTEN. IN THE EVENT THAT THE BOND ISSUE IS NOT FULLY SUBSCRIBED THE ISSUER WILL PROCEED WITH THE LISTING OF THE AMOUNT OF BONDS SUBSCRIBED FOR.**

## **6.2 Intermediaries' Offer**

The total amount of €13,500,000 of Bonds is being reserved for subscription by Authorised Intermediaries participating in the Intermediaries' Offer.

In this regard, the Issuer shall enter into conditional subscription agreements with a number of Authorised Intermediaries for the subscription of Bonds, whereby it will bind itself to allocate Bonds thereto up to the total aggregate amount of €13,500,000 as aforesaid during the Intermediaries' Offer.

In terms of each subscription agreement entered into with an Authorised Intermediary, the Issuer will be conditionally bound to issue, and each Authorised Intermediary will bind itself to subscribe for, a number of Bonds subject to the Bonds being admitted to trading on the Official List. The subscription agreements, which will be subject to the terms and conditions of the Prospectus, will become binding on each of the Issuer and the respective Authorised Intermediaries upon delivery, provided that these intermediaries would have paid to the Sponsor, Manager & Registrar all subscription proceeds in cleared funds on delivery of the subscription agreement.

Authorised Intermediaries subscribing for Bonds may do so for their own account or for the account of underlying customers, including retail customers, and shall, in addition, be entitled to either distribute to the underlying customers any portion of the Bonds subscribed for upon commencement of trading, or submit Application Forms directly in the name of their underlying customers. In either case, subscription amounts made by Applicants through Authorised Intermediaries, including those made under nominee, shall be in multiples of €50,000, subject to a minimum subscription amount of €50,000 in Bonds by each individual Bondholder/underlying customer, as the case may be, and a subsequent minimum holding of €50,000 per individual Bondholder/underlying customer is maintained throughout his/her/its investment, unless disposed of in its entirety.

## **6.3 Plan of distribution and allotment**

The Bonds shall be allocated to Authorised Intermediaries pursuant to subscription agreements, details of which are included in sub-section 6.2 immediately above.

Applications for subscriptions to the Bonds may be made through the Authorised Intermediaries (which include the Sponsor, Manager & Registrar) during the Issue Period. The Issue Period shall close immediately upon attaining full subscription or on the last day of the Issue Period, whichever is the earliest. Subscription to the Bonds must be accompanied by full price of the





Bonds applied for in Euro and in cleared funds at the Bond Issue Price. If the Application Form(s) and proof of payment of cleared funds do not reach the Sponsor, Manager & Registrar by the close of the Issue Period, the Application will be deemed to have been declined.

It is expected that an allotment letter will be dispatched to Applicants within five (5) Business Days of the announcement of the allocation policy. The registration advice and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act, 1994 (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.

Dealings in the Bonds shall not commence prior to admission to trading of the Bonds by the MSE or prior to the said notification.

## 6.4 Allocation Policy

The Issuer shall allocate the Bonds to Authorised Intermediaries participating in the Intermediaries' Offer pursuant to the subscription agreements, details of which can be found in sub-section 6.2 above, without priority or preference and in accordance with the allocation policy as determined by the Issuer and the Sponsor, Manager & Registrar.

Within five (5) Business Days from closing of the Issue Period, the Issuer shall announce the result of the Bond Issue and shall determine and announce the basis of acceptance of Applications and allocation policy to be adopted through a company announcement.

## 6.5 Status and ranking of the Bonds

The Bonds, as and when issued and allotted, shall constitute the general, direct, unsecured and unconditional obligations of the Issuer, guaranteed jointly and severally by the Guarantors, and shall at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured debt of each of the Issuer and the Guarantors, present and future, if any, save for such exceptions as may be provided by applicable law, and with first ranking and priority over the Collateral Rights. Furthermore, subject to the negative pledge clause (sub-section 6.6 of this Securities Note), third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer for so long as such security interests remain in effect. As at the date of this Securities Note, the Issuer does not have any subordinated indebtedness.

In the event of any shortfall in funds required in connection with the repayment of the principal amount under the Bonds, the Issuer's shareholders have undertaken, in virtue of a resolution entered into for the purpose on 27 November 2018, to inject the necessary funds to effect the redemption of the Bonds on the Redemption Date through an equity injection.

Pursuant to the terms of the Trust Deed and the Pledge Agreements, the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd, as applicable, have agreed to constitute in favour of the Custodian for the benefit of Bondholders, as Primary Beneficiaries, security over the Collateral Rights and to appoint the Custodian to hold and administer the Collateral Rights under trust. The Collateral Rights will secure the claim of the Custodian, for the benefit and in the interest of Bondholders, for the repayment of part of the principal and interest under the Bonds by a preferred claim over the Collateral Rights.

The following sets out a summary of the Group's indebtedness which, as at 30 June 2018, amounted in aggregate to €2,872,928, and principally includes bank loans and overdraft facilities. The bank borrowings listed below are secured by privileges and hypothecs, and therefore the indebtedness being created by the Bonds, together with other unsecured debt, ranks after these bank borrowings. In addition, the Bonds would also rank after any future debts which may be secured by a cause of preference such as a privilege and/or a hypothec.

### ENDO GROUP BORROWINGS AT 30 JUNE 2018

<b>BANK BORROWINGS, HYPOTHECS AND HYPOTHECARY GUARANTEES</b>	€2,872,928
<b>TOTAL</b>	<b>€2,872,928</b>

## 6.6 Negative pledge

The Issuer undertakes, for as long as any principal or interest under the Bonds or any of the Bonds remains outstanding, not to create or permit to subsist any Security Interest (as defined below), other than a Permitted Security Interest (as defined below), upon the whole or any part of its present or future assets or revenues to secure any Financial Indebtedness (as defined below) of the Issuer, unless at the same time or prior thereto the Issuer's indebtedness under the Bonds shares in and is secured equally and rateably therewith, and the instrument creating such Security Interest so provides.

**"Financial Indebtedness"** means any indebtedness in respect of: (A) monies borrowed; (B) any debenture, bond, note, loan, stock or other security; (C) any acceptance credit; (D) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance for the acquisition of that asset; (E) leases entered into primarily as a method of raising finance for the acquisition of the asset leased; (F) amounts raised under any other transaction having the commercial effect of borrowing or raising of money; (G) any guarantee, indemnity or similar assurance against financial loss of any person;

**"Security Interest"** means any privilege, hypothec, pledge, lien, charge or other encumbrance or real right which grants rights of preference to a creditor over the assets of the Issuer;

**"Permitted Security Interest"** means: (A) any Security Interest arising by operation of law; (B) any Security Interest securing temporary bank loans or overdrafts or guarantees in the ordinary course of business; (C) any Security Interest securing any indebtedness of the Issuer created for the sole purpose of financing or raising finance for the redemption of all the Bonds; (D) any other Security Interest (in addition to (A), (B) and (C) above) securing Financial Indebtedness of the Issuer, in an aggregate outstanding amount not exceeding 80% of the difference between the value of the unencumbered assets of the Issuer and the aggregate principal amount of Bonds outstanding at the time.

Provided that the aggregate Security Interests referred to in (B), (C) and (D) above do not result in the unencumbered assets of the Issuer being less than the aggregate principal amount of the Bonds still outstanding together with one (1) year's interest thereon;

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

## 6.7 Rights attaching to the Bonds

This Securities Note in its entirety contains the terms and conditions of issue of the Bonds and creates the contract between the Issuer and a Bondholder. Any and all references to the terms and conditions of the Bonds shall be construed as a reference to all and each section of this Securities Note.

There are no special rights attached to the Bonds other than the right of the Bondholders to:

- (i) the payment of interest;
- (ii) the payment of capital;
- (iii) the benefit of the Collateral Rights through the Custodian, in accordance with the provisions of sub-section 5.5 of this Securities Note;
- (iv) ranking with respect to other indebtedness of the Issuer and the Guarantors in accordance with the provisions of sub-section 6.5 above;
- (v) seek recourse from the Guarantors pursuant to the Guarantee, in case of failure by the Issuer to pay any sum payable by it to Bondholders pursuant to the terms of the Bonds detailed in this Securities Note;
- (vi) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and
- (vii) enjoy all such other rights attached to the Bonds emanating from the Prospectus.

## 6.8 Interest

**6.8.1 THE BONDS SHALL BEAR INTEREST FROM AND INCLUDING 22 MARCH 2019 AT THE RATE OF 4.5% PER ANNUM ON THE NOMINAL VALUE THEREOF, PAYABLE ANNUALLY IN ARREARS ON EACH INTEREST PAYMENT DATE. THE FIRST INTEREST PAYMENT WILL BE AFFECTED ON 22 MARCH 2020 (COVERING THE PERIOD 22 MARCH 2019 UP TO AND INCLUDING 21 MARCH 2020). ANY INTEREST PAYMENT DATE WHICH FALLS ON A DAY OTHER THAN A BUSINESS DAY WILL BE CARRIED OVER TO THE NEXT FOLLOWING DAY THAT IS A BUSINESS DAY. EACH BOND WILL CEASE TO BEAR INTEREST FROM AND INCLUDING ITS DUE DATE FOR REDEMPTION, UNLESS PAYMENT OF THE PRINCIPAL IN RESPECT OF THE BOND IS IMPROPERLY WITHHELD OR REFUSED OR UNLESS DEFAULT IS**

OTHERWISE MADE IN RESPECT OF PAYMENT, IN ANY OF WHICH EVENTS INTEREST SHALL CONTINUE TO ACCRUE AT THE RATE SPECIFIED ABOVE PLUS ONE PER CENT (1%), BUT IN ANY EVENT NOT IN EXCESS OF THE MAXIMUM RATE OF INTEREST ALLOWED BY MALTESE LAW. IN TERMS OF ARTICLE 2156 OF THE CIVIL CODE (CHAPTER 16 OF THE LAWS OF MALTA), THE RIGHT OF BONDHOLDERS TO BRING CLAIMS FOR PAYMENT OF INTEREST AND REPAYMENT OF THE PRINCIPAL ON THE BONDS IS BARRED BY THE LAPSE OF FIVE (5) YEARS.

- 6.8.2 WHEN INTEREST IS REQUIRED TO BE CALCULATED FOR ANY PERIOD OF LESS THAN A FULL YEAR, IT SHALL BE CALCULATED ON THE BASIS OF A THREE HUNDRED AND SIXTY (360) DAY YEAR CONSISTING OF TWELVE (12) MONTHS OF THIRTY (30) DAYS EACH, AND IN THE CASE OF AN INCOMPLETE MONTH, THE NUMBER OF DAYS ELAPSED.

## 6.9 Yield

The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds at Redemption Date is 4.5% per annum.

## 6.10 Registration, form, denomination and title

- 6.10.1 CERTIFICATES WILL NOT BE DELIVERED TO BONDHOLDERS IN RESPECT OF THE BONDS IN VIRTUE OF THE FACT THAT THE ENTITLEMENT TO BONDS WILL BE REPRESENTED IN AN UNCERTIFICATED FORM BY THE APPROPRIATE ENTRY IN THE ELECTRONIC REGISTER MAINTAINED ON BEHALF OF THE ISSUER AT THE CSD. THERE WILL BE ENTERED IN SUCH ELECTRONIC REGISTER THE NAMES, ADDRESSES, IDENTITY CARD NUMBERS (IN THE CASE OF NATURAL PERSONS), REGISTRATION NUMBERS (IN THE CASE OF COMPANIES) AND MSE ACCOUNT NUMBERS OF THE BONDHOLDERS AND PARTICULARS OF THE BONDS HELD BY THEM RESPECTIVELY, AND THE BONDHOLDERS SHALL HAVE, AT ALL REASONABLE TIMES DURING BUSINESS HOURS, ACCESS TO THE REGISTER OF BONDHOLDERS HELD AT THE CSD FOR THE PURPOSE OF INSPECTING INFORMATION HELD ON THEIR RESPECTIVE ACCOUNT.

### 6.10.1.1

- 6.10.2 THE CSD WILL ISSUE, UPON A REQUEST BY A BONDHOLDER, A STATEMENT OF HOLDINGS TO SUCH BONDHOLDER EVIDENCING HIS/HER/ITS ENTITLEMENT TO BONDS HELD IN THE REGISTER KEPT BY THE CSD.
- 6.10.3 UPON SUBMISSION OF AN APPLICATION FORM, BONDHOLDERS WHO OPT TO SUBSCRIBE FOR THE ONLINE E-PORTFOLIO ACCOUNT WITH THE CSD, BY MARKING THE APPROPRIATE BOX ON THE APPLICATION FORM, WILL BE REGISTERED BY THE CSD FOR THE ONLINE E-PORTFOLIO FACILITY AND WILL RECEIVE BY MAIL AT THEIR REGISTERED ADDRESS A HANDLE CODE TO ACTIVATE THE NEW E-PORTFOLIO LOGIN. THE BONDHOLDER'S STATEMENT OF HOLDINGS EVIDENCING ENTITLEMENT TO BONDS HELD IN THE REGISTER KEPT BY THE CSD AND REGISTRATION ADVICES EVIDENCING MOVEMENTS IN SUCH REGISTER WILL BE AVAILABLE THROUGH THE SAID E-PORTFOLIO FACILITY ON [HTTPS://EPORTFOLIO.BORZAMALTA.COM.MT/](https://EPORTFOLIO.BORZAMALTA.COM.MT/). FURTHER DETAIL ON THE E-PORTFOLIO IS FOUND ON [HTTPS://EPORTFOLIO.BORZAMALTA.COM.MT/HELP](https://EPORTFOLIO.BORZAMALTA.COM.MT/HELP).
- 6.10.4 THE BONDS WILL BE ISSUED IN FULLY REGISTERED FORM, WITHOUT INTEREST COUPONS, IN DENOMINATIONS OF €50,000 PROVIDED THAT ON SUBSCRIPTION, THE BONDS WILL BE ISSUED FOR A MINIMUM OF €50,000 PER INDIVIDUAL BONDHOLDER AND SUBJECT TO A SUBSEQUENT MINIMUM HOLDING OF €50,000 PER INDIVIDUAL BONDHOLDER MAINTAINED THROUGHOUT HIS/HER/ITS INVESTMENT. ACCORDINGLY, EACH TRANSFER OF BONDS WHICH WOULD RESULT IN A BONDHOLDER HOLDING LESS THAN SUCH MINIMUM AMOUNTS IS NOT PERMITTED UNLESS AS A RESULT OF THE SAID TRANSFER, THE BONDHOLDER
- 6.10.5 SHALL HAVE DISPOSED OF ALL OF HIS/HER/ITS HOLDING IN THE BONDS.

**6.10.6 ANY PERSON IN WHOSE NAME A BOND IS REGISTERED MAY (TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW) BE DEEMED AND TREATED AT ALL TIMES, BY ALL PERSONS AND FOR ALL PURPOSES (INCLUDING THE MAKING OF ANY PAYMENTS), AS THE ABSOLUTE OWNER OF SUCH BOND. TITLE TO THE BONDS MAY BE TRANSFERRED AS PROVIDED BELOW UNDER THE HEADING “TRANSFERABILITY OF THE BONDS” IN SUB-SECTION 6.15 OF THIS SECURITIES NOTE.**

## **6.11 Pricing**

The Bonds are being issued at par, that is, at 100 percent of the nominal value per Bond, with the full amount payable upon subscription.

## **6.12 Payments**

**6.12.1 PAYMENT OF THE PRINCIPAL AMOUNT OF THE BONDS WILL BE MADE IN EURO BY THE ISSUER TO THE PERSON IN WHOSE NAME SUCH BONDS ARE REGISTERED, WITH INTEREST ACCRUED UP TO THE REDEMPTION DATE, BY MEANS OF DIRECT CREDIT TRANSFER INTO SUCH BANK ACCOUNT AS THE BONDHOLDER MAY DESIGNATE FROM TIME TO TIME, PROVIDED SUCH BANK ACCOUNT IS DENOMINATED IN EURO AND HELD WITH ANY LICENSED BANK IN MALTA. SUCH PAYMENT SHALL BE AFFECTED WITHIN SEVEN (7) DAYS OF THE REDEMPTION DATE. THE ISSUER SHALL NOT BE RESPONSIBLE FOR ANY CHARGES, LOSS OR DELAY IN TRANSMISSION. UPON PAYMENT OF THE REDEMPTION VALUE, THE BONDS SHALL BE REDEEMED AND THE APPROPRIATE ENTRY MADE IN THE ELECTRONIC REGISTER OF THE BONDS AT THE CSD.**

**6.12.2 IN THE CASE OF BONDS HELD SUBJECT TO USUFRUCT, PAYMENT WILL BE MADE AGAINST THE JOINT INSTRUCTIONS OF ALL BARE OWNERS AND USUFRUCTUARIES. BEFORE AFFECTING PAYMENT, THE ISSUER AND/OR THE CSD SHALL BE ENTITLED TO REQUEST ANY LEGAL DOCUMENTS DEEMED NECESSARY CONCERNING THE ENTITLEMENT OF THE BARE OWNER/S AND THE USUFRUCTUARY/IES TO PAYMENT OF THE BONDS.**

**6.12.3 PAYMENT OF INTEREST ON A BOND WILL BE MADE TO THE PERSON IN WHOSE NAME SUCH BOND IS REGISTERED AT THE CLOSE OF BUSINESS FIFTEEN (15) DAYS PRIOR TO THE INTEREST PAYMENT DATE, BY MEANS OF A DIRECT CREDIT TRANSFER INTO SUCH BANK ACCOUNT AS THE BONDHOLDER MAY DESIGNATE, FROM TIME TO TIME, WHICH IS DENOMINATED IN EURO AND HELD WITH ANY LICENSED BANK IN MALTA. SUCH PAYMENT SHALL BE AFFECTED WITHIN SEVEN (7) DAYS OF THE INTEREST PAYMENT DATE. THE ISSUER SHALL NOT BE RESPONSIBLE FOR ANY CHARGES, LOSS OR DELAY IN TRANSMISSION.**

**6.12.4 ALL PAYMENTS WITH RESPECT TO THE BONDS ARE SUBJECT IN ALL CASES TO ANY PLEDGE (DULY CONSTITUTED) AND TO ANY APPLICABLE FISCAL OR OTHER LAWS AND REGULATIONS PREVAILING IN MALTA. IN PARTICULAR, BUT WITHOUT LIMITATION, ALL PAYMENTS OF PRINCIPAL AND INTEREST BY OR ON BEHALF OF THE ISSUER IN RESPECT OF THE BONDS SHALL BE MADE NET OF ANY AMOUNT WHICH THE ISSUER IS OR MAY BECOME COMPELLED BY LAW TO DEDUCT OR WITHHOLD FOR OR ON ACCOUNT OF ANY PRESENT OR FUTURE TAXES, DUTIES, ASSESSMENTS OR OTHER GOVERNMENT CHARGES OF WHATSOEVER NATURE IMPOSED, LEVIED, COLLECTED, WITHHELD OR ASSESSED BY OR WITHIN THE REPUBLIC OF MALTA OR ANY AUTHORITY THEREOF OR THEREIN HAVING POWER TO TAX.**

**6.12.5 NO COMMISSIONS OR EXPENSES SHALL BE CHARGED BY THE ISSUER TO THE BONDHOLDERS IN RESPECT OF PAYMENTS MADE IN ACCORDANCE WITH THIS SUB-SECTION 6.12. THE ISSUER SHALL NOT BE LIABLE FOR CHARGES, EXPENSES AND COMMISSIONS LEVIED BY PARTIES OTHER THAN THE ISSUER.**

## **6.13 Redemption and purchase**

- 6.13.1 UNLESS PREVIOUSLY PURCHASED AND CANCELLED, THE ISSUER HEREBY IRREVOCABLY COVENANTS IN FAVOUR OF EACH BONDHOLDER THAT THE BONDS WILL BE REDEEMED AT THEIR NOMINAL VALUE (TOGETHER WITH ACCRUED INTEREST UP TO THE DATE FIXED FOR REDEMPTION) ON 22 MARCH 2029. IN SUCH A CASE THE ISSUER SHALL BE DISCHARGED OF ANY AND ALL PAYMENT OBLIGATIONS UNDER THE BONDS UPON PAYMENT MADE NET OF ANY WITHHOLDING OR OTHER TAXES DUE OR WHICH MAY BE DUE UNDER MALTESE LAW AND WHICH IS PAYABLE BY THE BONDHOLDERS.**
- 6.13.2 SUBJECT TO THE PROVISIONS OF THIS SUB-SECTION 6.13, THE ISSUER MAY AT ANY TIME PURCHASE BONDS IN THE OPEN MARKET OR OTHERWISE AT ANY PRICE. ANY PURCHASE BY TENDER SHALL BE MADE AVAILABLE TO ALL BONDHOLDERS ALIKE.**
- 6.13.3 ALL BONDS SO REDEEMED OR RE-PURCHASED WILL BE CANCELLED FORTHWITH AND MAY NOT BE RE-ISSUED OR RE-SOLD.**

## **6.14 Events of Default**

Pursuant to the Trust Deed, the Custodian may in its absolute and unfettered discretion, and shall upon the request in writing of not less than 65% in value of the Primary Beneficiaries, by notice in writing to the Issuer declare the Bonds to have become immediately due and repayable at their principal amount, together with any accrued interest, upon the happening of any of the following events (“Events of Default”):

- I. if the Issuer shall fail to pay any interest on any Bond when due and such failure shall continue for thirty (30) days after written notice thereof shall have been given to the Issuer by any Bondholder and/or by the Custodian; and/or
- II. if the Issuer shall fail to pay the principal amount of a Bond on the date fixed for its redemption and such failure shall continue for thirty (30) days after written notice thereof shall have been given to the Issuer by any Bondholder and/or by the Custodian; and/or
- III. if the Issuer shall fail to perform or shall otherwise be in breach of any other material obligation contained in the terms and conditions of the Bonds and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by any Bondholder and/or by the Custodian; and/or
- IV. if the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and/or Endo Three Maritime Ltd commits a breach of any of the covenants or provisions contained in the Trust Deed and/or the Pledge Agreements, as applicable, to be observed and performed on their respective parts and the said breach still subsists for thirty (30) days after having been notified by the Custodian; and/or
- V. if an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer and/or any one or more of the Guarantors; and/or
- VI. if the Issuer stops or suspends payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so or ceases or threatens to cease to carry on its business or a substantial part of its business; and/or
- VII. if the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent; and/or
- VIII. if the Issuer commits a breach of any of the covenants or provisions contained in the Trust Deed to be observed and performed on its part and the said breach still subsists for thirty (30) days after having been notified by the Custodian (other than any covenant for the payment of interests or principal monies owing in respect of the Bonds); and/or
- IX. there shall have been entered against the Issuer and/or any one or more of the Guarantors a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of three million Euro (€3,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; and/or

- X. any default occurs and continues for ninety (90) days under any contract or document relating to any Financial Indebtedness (as defined in sub-section 6.6 above) of the Issuer and/or any one or more of the Guarantors in excess of three million Euro (€3,000,000) or its equivalent at any time.

Upon any such declaration being made as aforesaid, the said principal monies and interest accrued under the Bonds shall be deemed to have become immediately payable at the time of the event which shall have happened as aforesaid.

Provided that in the event of any breach by the Issuer of any of the covenants, obligations or provisions herein contained due to any fortuitous event of a calamitous nature beyond the control of the Issuer, then the Custodian may, but shall be under no obligation so to do, give the Issuer such period of time to remedy the breach as in its sole opinion may be justified in the circumstances and if in its sole opinion the breach is remediable within the short term and without any adverse impact on the Bondholders. Provided further that in the circumstances contemplated by this proviso, the Custodian shall at all times act on and in accordance with any instructions it may receive in a meeting of Bondholders satisfying the conditions set out in the Trust Deed. The Custodian shall not be bound to take any steps to ascertain whether any Event of Default or other similar condition, event or circumstance has occurred or may occur, and, until it shall have actual knowledge or express notice to the contrary, the Custodian shall be entitled to assume that no such Event of Default or condition, event or other circumstance has happened and that each of the Issuer, Endo Tankers Ltd, Endo One Maritime Ltd, Endo Two Maritime Ltd and Endo Three Maritime Ltd is observing and performing all the obligations, conditions and provisions on its part contained under the Prospectus, the Trust Deed and/or the Pledge Agreements, as applicable.

## 6.15 Transferability of the Bonds

- 6.15.1 THE BONDS ARE FREELY TRANSFERABLE AND, ONCE ADMITTED TO THE OFFICIAL LIST, SHALL BE TRANSFERABLE ONLY IN WHOLE (IN MULTIPLES OF €50,000) IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE MSE APPLICABLE FROM TIME TO TIME.**
- 6.15.2 ANY PERSON BECOMING ENTITLED TO A BOND IN CONSEQUENCE OF THE DEATH OR BANKRUPTCY OF A BONDHOLDER MAY, UPON SUCH EVIDENCE BEING PRODUCED AS MAY, FROM TIME TO TIME, PROPERLY BE REQUIRED BY THE ISSUER OR THE CSD, ELECT EITHER TO BE REGISTERED HIMSELF AS HOLDER OF THE BOND OR TO HAVE SOME PERSON NOMINATED BY HIM REGISTERED AS THE TRANSFEREE THEREOF. IF THE PERSON SO BECOMING ENTITLED SHALL ELECT TO BE REGISTERED HIMSELF, HE SHALL DELIVER OR SEND TO THE CSD A NOTICE IN WRITING SIGNED BY HIM STATING THAT HE SO ELECTS. IF HE SHALL ELECT TO HAVE ANOTHER PERSON REGISTERED HE SHALL TESTIFY HIS ELECTION BY TRANSFERRING THE BOND, OR PROCURING THE TRANSFER OF THE BOND, IN FAVOUR OF THAT PERSON. PROVIDED ALWAYS THAT IF A BOND IS TRANSMITTED IN FURTHERANCE OF THIS PARAGRAPH 6.15.2, A PERSON WILL NOT BE REGISTERED AS A BONDHOLDER UNLESS SUCH TRANSMISSION IS MADE IN MULTIPLES OF €50,000.**
- 6.15.3 ALL TRANSFERS AND TRANSMISSIONS ARE SUBJECT IN ALL CASES TO ANY PLEDGE (DULY CONSTITUTED) OF THE BONDS AND TO ANY APPLICABLE LAWS AND REGULATIONS.**
- 6.15.4 THE COSTS AND EXPENSES OF AFFECTING ANY REGISTRATION OF TRANSFER OR TRANSMISSION, EXCEPT FOR THE EXPENSES OF DELIVERY BY ANY MEANS OTHER THAN REGULAR MAIL (IF ANY) AND EXCEPT, IF THE ISSUER SHALL SO REQUIRE, THE PAYMENT OF A SUM SUFFICIENT TO COVER ANY TAX, DUTY OR OTHER GOVERNMENTAL CHARGE OR INSURANCE CHARGES THAT MAY BE IMPOSED IN RELATION THERETO, WILL BE BORNE BY THE PERSON TO WHOM THE TRANSFER / TRANSMISSION HAS BEEN MADE.**
- 6.15.5 THE ISSUER WILL NOT REGISTER THE TRANSFER OR TRANSMISSION OF BONDS FOR A PERIOD OF FIFTEEN (15) DAYS PRECEDING THE DUE DATE FOR ANY PAYMENT OF INTEREST ON THE BONDS OR THE DUE DATE FOR REDEMPTION.**
- 6.15.6 AUTHORISED FINANCIAL INTERMEDIARIES SUBSCRIBING FOR BONDS THROUGH NOMINEE ACCOUNTS FOR AND ON BEHALF OF CLIENTS SHALL APPLY THE MINIMUM SUBSCRIPTION AMOUNT OF €50,000 TO EACH**



**UNDERLYING CLIENT AND SUBJECT TO THE MINIMUM HOLDING REFERRED TO IN SECTION 5.3. THE MINIMUM HOLDING REQUIREMENT OF €50,000 PER BONDHOLDER (AND PER UNDERLYING CLIENT, IN THE CASE OF AUTHORISED FINANCIAL INTERMEDIARIES SUBSCRIBING TO THE BONDS THROUGH NOMINEE ACCOUNTS FOR AND ON BEHALF OF CLIENTS AS AFORESAID) WILL ALSO APPLY DURING SECONDARY MARKET TRADING.**

## **6.16 Further issues**

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

## **6.17 Meetings of Bondholders**

- 6.17.1 THE ISSUER MAY, THROUGH THE CUSTODIAN, FROM TIME TO TIME, CALL MEETINGS OF BONDHOLDERS FOR THE PURPOSE OF CONSULTATION WITH BONDHOLDERS OR FOR THE PURPOSE OF OBTAINING THE CONSENT OF BONDHOLDERS ON MATTERS WHICH IN TERMS OF THE PROSPECTUS REQUIRE THE APPROVAL OF A BONDHOLDERS' MEETING AND TO AFFECT ANY CHANGE TO THE APPLICABLE TERMS AND CONDITIONS OF THE BONDS.**
- 6.17.2 A MEETING OF BONDHOLDERS SHALL BE CALLED BY THE DIRECTORS BY GIVING THE CUSTODIAN AND ALL BONDHOLDERS LISTED ON THE REGISTER OF BONDHOLDERS AS AT A DATE BEING NOT MORE THAN THIRTY (30) DAYS PRECEDING THE DATE SCHEDULED FOR THE MEETING, NOT LESS THAN FOURTEEN (14) DAYS' NOTICE IN WRITING. SUCH NOTICE SHALL SET OUT THE TIME, PLACE AND DATE SET FOR THE MEETING AND THE MATTERS TO BE DISCUSSED OR DECIDED THEREAT, INCLUDING, IF APPLICABLE, SUFFICIENT INFORMATION ON ANY AMENDMENT OF THE PROSPECTUS THAT IS PROPOSED TO BE VOTED UPON AT THE MEETING AND SEEKING THE APPROVAL OF THE BONDHOLDERS. FOLLOWING A MEETING OF BONDHOLDERS HELD IN ACCORDANCE WITH THE PROVISIONS CONTAINED HEREUNDER, THE ISSUER SHALL, ACTING IN ACCORDANCE WITH THE RESOLUTION(S) TAKEN AT THE MEETING, COMMUNICATE TO THE BONDHOLDERS WHETHER THE NECESSARY CONSENT TO THE PROPOSAL MADE BY THE ISSUER HAS BEEN GRANTED OR WITHHELD. SUBJECT TO HAVING OBTAINED THE NECESSARY APPROVAL BY THE BONDHOLDERS IN ACCORDANCE WITH THE PROVISIONS OF THIS SUB-SECTION 6.17 AT A MEETING CALLED FOR THAT PURPOSE AS AFORESAID, ANY SUCH DECISION SHALL SUBSEQUENTLY BE GIVEN EFFECT TO BY THE ISSUER.**
- 6.17.3 THE AMENDMENT OR WAIVER OF ANY OF THE TERMS AND CONDITIONS OF THE BONDS MAY ONLY BE MADE WITH THE APPROVAL OF BONDHOLDERS AT A MEETING CALLED AND HELD FOR THAT PURPOSE IN ACCORDANCE WITH THE TERMS HEREOF.**
- 6.17.4 A MEETING OF BONDHOLDERS SHALL ONLY VALIDLY AND PROPERLY PROCEED TO BUSINESS IF THERE IS A QUORUM PRESENT AT THE COMMENCEMENT OF THE MEETING. FOR THIS PURPOSE AT LEAST TWO (2) BONDHOLDERS PRESENT, IN PERSON OR BY PROXY, REPRESENTING NOT LESS THAN 50% IN NOMINAL VALUE OF THE BONDS THEN OUTSTANDING, SHALL CONSTITUTE A QUORUM. IF A QUORUM IS NOT PRESENT WITHIN THIRTY (30) MINUTES FROM THE TIME SCHEDULED FOR THE COMMENCEMENT OF THE MEETING AS INDICATED ON THE NOTICE CONVENING SAME, THE MEETING SHALL STAND ADJOURNED TO A PLACE, DATE AND TIME AS SHALL BE COMMUNICATED BY THE DIRECTORS TO THE CUSTODIAN AND TO BONDHOLDERS PRESENT AT THAT MEETING. THE ISSUER SHALL WITHIN TWO (2) DAYS FROM THE DATE OF THE ORIGINAL MEETING PUBLISH BY WAY OF A COMPANY ANNOUNCEMENT THE DATE, TIME AND PLACE WHERE THE ADJOURNED MEETING IS TO BE HELD. AN ADJOURNED MEETING SHALL BE HELD NOT EARLIER THAN SEVEN (7) DAYS, AND NOT LATER THAN FIFTEEN (15) DAYS, FOLLOWING THE ORIGINAL MEETING. AT AN ADJOURNED MEETING THE NUMBER OF BONDHOLDERS PRESENT AT THE COMMENCEMENT OF THE MEETING, IN PERSON OR BY PROXY, SHALL CONSTITUTE A QUORUM; AND ONLY THE MATTERS SPECIFIED IN THE NOTICE CALLING THE ORIGINAL MEETING**

SHALL BE PLACED ON THE AGENDA OF, AND SHALL BE DISCUSSED AT AND DECIDED UPON DURING, THE ADJOURNED MEETING.

- 6.17.5 ANY PERSON WHO IN ACCORDANCE WITH THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE ISSUER IS TO CHAIR THE ANNUAL GENERAL MEETINGS OF SHAREHOLDERS SHALL ALSO CHAIR MEETINGS OF BONDHOLDERS.
- 6.17.6 ONCE A QUORUM IS DECLARED PRESENT BY THE CHAIRPERSON OF THE MEETING, THE MEETING MAY THEN PROCEED TO BUSINESS AND ADDRESS THE MATTERS SET OUT IN THE NOTICE CONVENING THE MEETING. IN THE EVENT OF DECISIONS BEING REQUIRED AT THE MEETING THE DIRECTORS OR THEIR REPRESENTATIVE SHALL PRESENT TO THE BONDHOLDERS THE REASONS WHY IT IS DEEMED NECESSARY OR DESIRABLE AND APPROPRIATE THAT A PARTICULAR DECISION IS TAKEN. THE MEETING SHALL ALLOW REASONABLE AND ADEQUATE TIME TO BONDHOLDERS TO PRESENT THEIR VIEWS TO THE ISSUER AND THE OTHER BONDHOLDERS PRESENT AT THE MEETING. THE MEETING SHALL THEN PUT THE MATTER AS PROPOSED BY THE ISSUER TO A VOTE OF BONDHOLDERS PRESENT AT THE TIME AT WHICH THE VOTE IS BEING TAKEN, AND ANY BONDHOLDERS TAKEN INTO ACCOUNT FOR THE PURPOSE OF CONSTITUTING A QUORUM WHO ARE NO LONGER PRESENT FOR THE TAKING OF THE VOTE SHALL NOT BE TAKEN INTO ACCOUNT FOR THE PURPOSE OF SUCH VOTE.
- 6.17.7 THE VOTING PROCESS SHALL BE MANAGED BY THE ISSUER'S COMPANY SECRETARY UNDER THE SUPERVISION AND SCRUTINY OF THE AUDITORS OF THE ISSUER AND THE CUSTODIAN.
- 6.17.8 THE PROPOSAL PLACED BEFORE A MEETING OF BONDHOLDERS SHALL ONLY BE CONSIDERED APPROVED IF AT LEAST SIXTY-FIVE PER CENT (65%) IN NOMINAL VALUE OF THE BONDHOLDERS PRESENT AT THE MEETING AT THE TIME WHEN THE VOTE IS BEING TAKEN, IN PERSON OR BY PROXY, SHALL HAVE VOTED IN FAVOUR OF THE PROPOSAL.
- 6.17.9 SAVE FOR THE ABOVE, THE RULES GENERALLY APPLICABLE TO PROCEEDINGS AT GENERAL MEETINGS OF SHAREHOLDERS OF THE ISSUER SHALL *MUTATIS MUTANDIS* APPLY TO MEETINGS OF BONDHOLDERS.

## 6.18 Authorisations and approvals

The Directors of the Issuer authorised the Bond Issue and the publication of the Prospectus pursuant to a Board of Directors' resolution passed on 27 November 2018. The Guarantee being given by the Guarantors in respect of the Bonds has been authorised by resolutions of the Boards of directors of each of the Guarantors all dated 27 November 2018.

## 6.19 Admission to trading

- 6.19.1 THE LISTING AUTHORITY HAS AUTHORISED THE BONDS AS ADMISSIBLE TO LISTING PURSUANT TO THE LISTING RULES BY VIRTUE OF A LETTER DATED 6 MARCH 2019.
- 6.19.2 APPLICATION HAS BEEN MADE TO THE MALTA STOCK EXCHANGE FOR THE BONDS BEING ISSUED PURSUANT TO THE PROSPECTUS TO BE LISTED AND TRADED ON ITS OFFICIAL LIST.
- 6.19.3 THE BONDS ARE EXPECTED TO BE ADMITTED TO THE MALTA STOCK EXCHANGE WITH EFFECT FROM 29 MARCH 2019 AND TRADING IS EXPECTED TO COMMENCE ON 01 APRIL 2019. DEALING MAY COMMENCE PRIOR TO NOTIFICATION OF THE AMOUNT ALLOTTED BEING ISSUED TO APPLICANTS.

## 6.20 Representations and warranties

- 6.20.1** The Issuer represents and warrants to Bondholders and to the Custodian for the benefit of Bondholders, that shall be entitled to rely on such representations and warranties, that:
- i. it is duly incorporated and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its property and other assets under legal title; and
  - ii. it has the power to execute, deliver and perform its obligations under the Prospectus and that all necessary corporate, shareholder and other actions have been duly taken to authorise the execution, delivery and performance of the same, and further that no limitation on its power to borrow or guarantee shall be exceeded as a result of the Terms and Conditions of the Prospectus.
- 6.20.2** The Prospectus contains all relevant material information with respect to the Issuer and the Guarantors and all information contained in the Prospectus is in every material respect true and accurate and not misleading, and there are no other facts in relation to the Issuer and/or the Guarantors, their respective businesses and financial position, the omission of which would, in the context of issue of the Bonds, make any statement in the Prospectus misleading or inaccurate in any material respect.

## 6.21 Bonds held jointly

In respect of any Bonds held jointly by several persons (including husband and wife), the joint holders shall nominate one (1) of their number as their representative and his/her name will be entered in the register with such designation. The person whose name shall be inserted in the field entitled "Applicant" on the Application Form, or the first named in the register of Bondholders shall, for all intents and purposes, be deemed to be such nominated person by all those joint holders. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Bond/s so held.

## 6.22 Bonds held subject to usufruct

In respect of a Bond held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the register. The usufructuary shall, for all intents and purposes, be deemed *vis-a-vis* the Issuer to be the holder of the Bond/s so held and shall have the right to receive interest on the Bond/s and to vote at meetings of the Bondholders but shall not, during the existence of the Bond/s, have the right to dispose of the Bond/s so held without the consent of the bare owner, and shall not be entitled to the repayment of principal on the Bond (which shall be due to the bare owner).

## 6.23 Governing law and jurisdiction

**6.23.1 THE BONDS ARE GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH MALTESE LAW.**

**6.23.2 ANY LEGAL ACTION, SUIT OR PROCEEDINGS AGAINST THE ISSUER AND/OR THE GUARANTORS ARISING OUT OF OR IN CONNECTION WITH THE BONDS AND/OR THE PROSPECTUS SHALL BE BROUGHT EXCLUSIVELY BEFORE THE MALTESE COURTS.**

## 6.24 Notices

Notices will be mailed to Bondholders and to the Custodian at their registered addresses and shall be deemed to have been served at the expiration of twenty-four (24) hours after the letter containing the notice is posted, and in proving such service it shall be sufficient to prove that a prepaid letter containing such notice was properly addressed to such Bondholder and to the Custodian at his/her/its registered address and posted.

## 7 TAXATION

## 7.1 General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Bonds, including their acquisition, holding and transfer, as well as any income/gains derived therefrom or made on their transfer. The following is a summary of the anticipated tax treatment applicable to the Bonds and to Bondholders in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive.

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

This information is being given solely for the general information of investors. The precise implications for investors will depend, among other things, on their particular circumstances and on the classification of the Bonds from a Maltese tax perspective, and professional advice in this respect should be sought accordingly.

## 7.2 Malta tax on interest

Since interest is payable in respect of a Bond which is the subject of a public issue, unless the Issuer is otherwise instructed by a Bondholder that he/she/it is entitled to receive the interest gross from any withholding tax or if the Bondholder does not fall within the definition of “recipient” in terms of article 41(c) of the Income Tax Act (Chapter 123 of the laws of Malta), interest shall be paid to such person net of a final withholding tax, currently at the rate of 15% (10% in the case of certain types of collective investment schemes) of the gross amount of the interest, pursuant to article 33 of the said Income Tax Act. Bondholders who do not fall within the definition of a “recipient” do not qualify for the said rate and should seek advice on the taxation of such income.

This withholding tax is considered as a final tax and a Maltese resident individual Bondholder need not declare the interest so received in his income tax return if paid net of tax. No person shall be charged to further tax in respect of such income and the tax deducted shall not be available as a credit against the recipient’s tax liability or available as a refund.

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

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

## 7.3 Exchange of information

In terms of applicable Maltese legislation, the Issuer and/or its agent are required to collect and forward certain information (including, but not limited to, information regarding payments made to certain Bondholders) to the Commissioner for Revenue. The Commissioner for Revenue will or may, in turn, automatically or on request, forward the information to other relevant tax authorities subject to certain conditions. Please note that this does not constitute tax advice and Applicants are to consult their own independent tax advisors in case of doubt.

## 7.4 Maltese taxation on capital gains on transfer of the Bonds

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

## 7.5 Duty on documents and transfers

In terms of the Duty on Documents and Transfers Act (Chapter 364 of the laws of Malta), duty is chargeable *inter alia* on the transfer or transmission *causa mortis* of marketable securities. A marketable security is defined in the said legislation as “a holding of share capital in any company and any document representing the same”.

Accordingly, the Bonds should not be treated as constituting marketable securities within the meaning of the aforementioned legislation and, therefore, the transfer/transmission thereof should not be chargeable to duty.

Furthermore, even if the Bonds are considered to be marketable securities for the purposes of the Duty on Documents and Transfers Act, in terms of article 50 of the Financial Markets Act (Chapter 345 of the laws of Malta), in view of the fact that the Bonds constitute financial instruments of a company quoted on a regulated market exchange, as is the MSE, redemptions and transfers of the Bonds should in any case be exempt from Maltese duty.

## 8 TERMS AND CONDITIONS OF THE BOND ISSUE

- 8.1 The following terms and conditions shall be read in conjunction with all the other terms and conditions relative to and regulating the contractual relationship created between the Issuer and the Guarantors on the one hand and the Bondholders on the other.
- 8.2 The issue and allotment of the Bonds is conditional upon the Bonds being admitted to the Official List. In the event that the Bonds are not admitted to the Official List any application monies received by the Issuer will be returned without interest by direct credit into the Applicant’s bank account indicated by the Applicant on the relative Application Form. If no such bank account number is provided, or in the event that bank account details on the Application Form are incorrect or inaccurate, such returns will be made by means of a cheque mailed to the Applicant’s address (or, in the case of joint Applications, the address of the first named Applicant) indicated in the Application Form.
- 8.3 The Issuer has not established an aggregate minimum subscription level for the Bond Issue.
- 8.4 The completed Application Forms may be lodged with any Authorised Intermediary (which include the Sponsor, Manager & Registrar) by not later than 12:00 hours (CET) on 21 March 2019. Submission of Application Forms must be accompanied by the full price of the Bonds applied for, in Euro. Payment may be made either in cash or by cheque payable to ‘The Registrar – Endo Finance p.l.c. Bond Issue’.
- 8.5 It is the responsibility of investors wishing to apply for the Bonds to inform themselves as to the legal requirements of so applying, including any requirements relating to external transaction requirements in Malta and any exchange control in the countries of their nationality, residence or domicile.
- 8.6 The contract created by the Issuer’s acceptance of an Application filed by a prospective bondholder shall be subject to all the terms and conditions set out in this Securities Note and the Memorandum and Articles of Association of the Issuer.
- 8.7 Any person, whether natural or legal, shall be eligible to submit an application and any one (1) person, whether directly or indirectly, should not submit more than one (1) application form. If an Application Form is signed on behalf of another party or on behalf of a corporation or corporate entity or association of persons, the person signing will be deemed to have duly bound his principal, or the relative corporation, corporate entity, or association of persons, and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions on their behalf. Such representative may be requested to submit the relative power of attorney/resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Issuer and/or the Sponsor, Manager & Registrar, but it shall not be the duty or responsibility of the Sponsor, Manager & Registrar or the Issuer to ascertain that such representative is duly authorised to appear on the Application Form and bind the Applicant.
- 8.8 Applications in the name of a corporation or corporate entity or association of persons need to include a valid Legal Entity Identifier (“LEI”) in the space provided on the Application Form. Failure to include a valid LEI code will result in the Application being cancelled by the Issuer acting through the Sponsor, Manager & Registrar and subscription monies will be returned to the Applicant in accordance with sub-section 8.8 below.

- 8.9 In the event that an Applicant fails to submit full information and/or documentation required with respect to an Application, the Applicant shall receive a full refund, without interest, by direct credit transfer to such account indicated in the Application Form at any time before the Bonds are admitted to listing on the Official List of the MSE. The Issuer shall not be responsible for any charges, loss or delay arising in connection with such credit transfer.
- 8.10 In the case of joint Applications, reference to the Applicant in these terms and conditions is a reference to each of the joint Applicants, and liability therefor is joint and several.
- 8.11 Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or the legal guardian/s and accompanied by a Public Registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption monies payable to the parents / legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption monies shall be paid directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.
- 8.12 The Bonds have not been and will not be registered under the Securities Act of 1933 of the United States of America and, accordingly, may not be offered or sold within the United States or to or for the account or benefit of a U.S. person.
- 8.13 No person receiving a copy of the Prospectus or an Application Form in any territory other than Malta may treat the same as constituting an invitation or offer to such person, nor should such person in any event use such Application Form, unless, in the relevant territory, such an invitation or offer could lawfully be made to such person or such Application Form could lawfully be used without contravention of any regulation or other legal requirements.
- 8.14 It is the responsibility of any person outside Malta wishing to make any Application to satisfy himself/herself/itself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
- 8.15 Subject to all other terms and conditions set out in the Prospectus, the Issuer reserves the right to reject, in whole or in part, or to scale down, any Application, including multiple or suspected multiple applications, and to present any cheques and/or drafts for payment upon receipt. The right is also reserved to refuse any Application which in the opinion of the Issuer is not properly completed in all respects in accordance with the instructions or is not accompanied by the required documents. Only original Application Forms will be accepted and photocopies/facsimile copies will not be accepted. In the case of joint Applications, reference to the Applicant in these Terms and Conditions is a reference to each Applicant, and liability therefor is joint and several.
- 8.16 Save where the context requires otherwise or where otherwise defined therein, terms defined in the Prospectus bear the same meaning when used in these Terms and Conditions, in the Application Forms, in any of the annexes and in any other document issued pursuant to the Prospectus.
- 8.17 The Issuer has not sought assessment of the Bonds by any independent credit rating agency.
- 8.18 Subject to all other terms and conditions set out in the Prospectus, the Issuer reserves the right to revoke the Issue at any time before the closing of the Issue Period. The circumstances in which such revocation might occur are expected to be exceptional, for example where a significant change in market conditions occurs.
- 8.19 The Bonds will be issued in multiples of €50,000. The minimum subscription amount of Bonds that can be subscribed for by all Applicants is €50,000.
- 8.20 For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations, 2008, as amended from time to time, all appointed Authorised Intermediaries are under a duty to communicate, upon request, all information about clients as is mentioned in Articles 1.2(d) and 2.4 of the “Members’ Code of Conduct” appended as Appendix 3.6 to Chapter 3 of the Malta Stock Exchange Bye-Laws, irrespective of whether the said appointed Authorised Intermediaries are Malta Stock Exchange Members or not. Such information shall be held and controlled by the Malta Stock Exchange in terms of the Data Protection Act (Chapter 440 of the laws of Malta) for the purposes and within the terms of the Malta Stock Exchange Data Protection Policy as published from time to time.



- 8.21 It shall be incumbent on the respective Authorised Intermediaries to ascertain that all other applicable regulatory requirements relating to subscription of Bonds by an Applicant are complied with, including without limitation the obligation to comply with all applicable MiFIR requirements as well as applicable MFSA Rules for investment services providers.
- 8.22 By completing and delivering an Application Form, the Applicant:
- i. agrees and acknowledges to have had the opportunity to read the Prospectus and to be deemed to have had notice of all information and representations concerning the Issuer and the Guarantors and the issue of the Bonds contained therein;
  - ii. warrants that the information submitted by the Applicant in the Application Form is true and correct in all respects and in the case where an MSE account number is indicated in the Application Form, such MSE account number is the correct account of the Applicant. In the event of a discrepancy between the personal details (including name and surname and the Applicant's address) appearing on the Application Form and those held by the MSE in relation to the MSE account number indicated on the Application Form, the details held by the MSE shall be deemed to be the correct details of the Applicant;
  - iii. authorises the Sponsor, Manager & Registrar and the Directors of the Issuer to include his/her/its name or, in the case of joint Applications the first named Applicant, in the register of debentures of the Issuer in respect of the Bonds allocated to such Applicant and further authorises the Issuer and the MSE to process the personal data that the Applicant provides in the Application Form, for all purposes necessary and subsequent to the Bond Issue applied for, in accordance with the Data Protection Act (Chapter 440 of the laws of Malta). The Applicant has the right to request access to and rectification of the personal data relating to him/her/it as processed by the Issuer and/or the MSE. Any such requests must be made in writing and sent to the CSD. The requests must further be signed by the Applicant to whom the personal data relates;
  - iv. confirms that in making such Application no reliance was placed on any information or representation in relation to the Issuer or the issue of the Bonds other than what is contained in the Prospectus and, accordingly, agree/s that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;
  - v. agrees that the registration advice and other documents and any monies returnable to the Applicant may be retained pending clearance of his/her/its remittance and any verification of identity as required by the Prevention of Money Laundering Act (Chapter 373 of the laws of Malta) and regulations made thereunder, and that such monies will not bear interest;
  - vi. agrees to provide the Sponsor, Manager & Registrar and/or the Issuer, as the case may be, with any information which it/they may request in connection with the Application;
  - vii. warrants, in connection with the 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 his/her/its Application in any territory, and that the Applicant has not taken any action which will or may result in the Issuer or the Sponsor, Manager & Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the Bonds or his/her/its Application;
  - viii. warrants that all applicable exchange control or other such regulations (including those relating to external transactions) have been duly and fully complied with;
  - ix. represents that the Applicant is not a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933 of the United States of America, as amended) and that he/she/it is not accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the "United States") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;
  - x. agrees that unless such Application is made with Calamatta Cuschieri Investment Services Limited as an Authorised Intermediary, Calamatta Cuschieri Investment Services Limited will not, in their capacity of Sponsor, Manager & Registrar, treat the Applicant as their customer by virtue of such Applicant making an Application for the Bonds, and that Calamatta Cuschieri Investment Services Limited will owe the Applicant no duties or responsibilities concerning the price of the Bonds or their appropriateness and suitability for the Applicant;
  - xi. agrees that all documents in connection with the issue of the Bonds and any returned monies, including refunds of all unapplied Application monies, if any, will be sent at the Applicant's own risk and may be sent, in the case of documents, by post at the address (or, in the case of joint Applications, the address of the first

- named Applicant) as set out in the Application Form and in the case of monies by direct credit into the Applicant's bank account as indicated by the Applicant on the Application Form;
- xii. renounces to any rights the Applicant may have to set off any amounts the Applicant may at any time owe the Issuer against any amount due under the terms of these Bonds;
  - xiii. irrevocably offers to purchase the number of Bonds specified in his/her/its Application Form (or any smaller number for which the Application is accepted) at the Bond Issue Price subject to the Prospectus, the terms and conditions thereof and the Memorandum and Articles of Association of the Issuer;
  - xiv. warrants that his/her/its remittance will be honoured on first presentation and agrees that if such remittance is not so honoured on its first presentation, the Issuer acting through the Sponsor, Manager & Registrar reserves the right to invalidate the relative Application. Furthermore, the Applicant will not be entitled to receive a registration advice or to be registered in the register of Bondholders or to enjoy or receive any rights in respect of such Bonds, unless the Applicant makes payment in cleared funds and such consideration is accepted by the respective Authorised Intermediary (which acceptance shall be made in the Authorised Intermediary's absolute discretion and may be on the basis that the Applicant indemnifies the Authorised Intermediary against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of the Applicant's remittance to be honoured on first presentation, and that, at any time prior to unconditional acceptance by the Authorised Intermediary of such late payment in respect of such Bonds, the Authorised Intermediary may (without prejudice to other rights) treat the agreement to allocate such Bonds as void and may allocate such Bonds to some other person, in which case the Applicant will not be entitled to any refund or payment in respect of such Bonds (other than return of such late payment));
  - xv. agrees that all Applications, acceptances of applications and contracts resulting therefrom will be governed by, and construed in accordance with, Maltese law and that he/she/it submits to the exclusive jurisdiction of the Maltese Courts and agrees that nothing shall limit the right of the Issuer to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of applications and contracts in any other manner permitted by law in any court of competent jurisdiction;
  - xvi. warrants that if he/she signs the Application Form on behalf of another party or on behalf of a corporation or corporate entity or association of persons, he/she has due authority to do so and such person, corporation, corporate entity or association of persons will also be bound accordingly, and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions;
  - xvii. warrants that he/she is not under the age of eighteen (18) years or if he/she is lodging an Application in the name and for the benefit of a minor, warrants that he/she is the parent or legal guardian of the minor;
  - xviii. confirms that, in the case of a joint Application entered into in joint names, the first named Applicant shall be deemed the holder of the Bonds; and
  - xix. agrees that, in all cases, any refund of unallocated Application monies, if any, will be sent to the Applicant by direct credit into the Applicant's bank account as indicated by the Applicant on the Application Form. No interest shall be due on refunds. The Issuer shall not be responsible for any charges, loss or delay in transmission. If no such bank account number is provided, or in the event that bank account details on the Application Form are incorrect or inaccurate, such refund will be made by means of a cheque mailed to the Applicant's address (or, in the case of joint Applications, the address of the first named Applicant) indicated in the Application Form.

## 9 ADDITIONAL INFORMATION

Save for the accountants' report on the pro forma consolidated financial statements included in Annex A of the Registration Document, the accountants' report on the forecast consolidated financial information of Endo Ventures Ltd included in Annex B of the Registration Document and the Financial Analysis Summary set out as Annex 3 to this Securities Note, the Prospectus does not contain any statement or report attributed to any person as an expert.

Each of the accountants' reports dated 29 November 2018 have been included in Annex A and Annex B, respectively, of the Registration Document in the form and context in which they appear with the authorisation of Nexia BT of The Penthouse, Suite 2, Capital Business Centre, Entrance C, Triq Taz-Zwejt, San Gwann SGN 3000, Malta, which has given and has not withdrawn its consent to the inclusion of said reports herein.

The Financial Analysis Summary dated 6 March 2019 has been included in Annex 3 of the Securities Note in the form and context in which it appears with the authorisation of Calamatta Cuschieri Investment Services Limited of Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta, which has given and has not withdrawn its consent to the inclusion of said report herein.



Neither of the foregoing experts have any beneficial interest in the Issuer or the Guarantors. The Issuer confirms that the accountants' report on the pro forma consolidated financial statements, the accountants' report on the forecast consolidated financial information of Endo Ventures Ltd and the Financial Analysis Summary have been accurately reproduced in the Prospectus and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

## ANNEX 1 - THE GUARANTEE

To All Bondholders:

RE: GUARANTEE AND INDEMNITY

Reference is made to the issue of up to €13.5 million 4.5% Unsecured Bonds 2029 by Endo Finance p.l.c., a company registered in Malta bearing company registration number C 89481 (the “**Issuer**”) pursuant to and subject to the terms and conditions contained in the Securities Note forming part of the Prospectus to be dated 6 March 2019 (the “**Bonds**”).

Now, therefore, by virtue hereof we, International Fender Providers Ltd (C 69877), IFP International Fender Providers Limited (HE 348221) and P & C Limited (C 13033), hereby stand surety jointly and severally with the Issuer and irrevocably and unconditionally guarantee the due and punctual performance of all the obligations undertaken by the Issuer under the Bonds and, without prejudice to the generality of the foregoing, undertake to pay all amounts of principal and interest which have become due and payable by the Issuer to Bondholders under the Bonds, within sixty (60) days from the date such amount falls due and remains unpaid by the Issuer.

This guarantee shall be governed by the laws of Malta.

Signed and executed on this the 27 day of November 2018.



Mr. Cristopher Frendo  
Director  
International Fender Providers Ltd  
(C 69877)



Mr. Nicholas Frendo  
Director  
International Fender Providers Ltd  
(C 69877)



Mr. Cristopher Frendo  
Director  
IFP International Fender Providers Limited  
(HE 348221)



Mr. Nicholas Frendo  
Director  
IFP International Fender Providers Limited  
(HE 348221)



Mr. Cristopher Frendo  
Director  
P & C Limited  
(C 13033)



Mr. Nicholas Frendo  
Director  
P & C Limited  
(C 13033)

**Interpretation:**

In this Guarantee, unless the context otherwise requires:

- (a) terms and expressions defined in or construed for the purposes of the Prospectus shall have the same meanings or be construed in the same manner when used in this Guarantee, unless defined otherwise in this Guarantee;
- (b) **“Indebtedness”** means any and all moneys, obligations and liabilities now or hereafter due, owing or incurred by the Issuer under the Bonds to the Bondholders (whether alone and/or with others) in terms of the Prospectus and in any and all cases whether for principal, interests, capitalised interests, charges, disbursements or otherwise and whether for actual or contingent liability; and
- (c) **“writing”** or **“in writing”** shall mean any method of visual representation and shall include e-mails, facsimile transmissions and other such electronic methods.

## **Nature, scope and terms of the Guarantee:**

### **1. NATURE OF THE GUARANTEE**

The offering of Bonds that will be made by the Issuer pursuant to the Prospectus will be made with the benefit of the joint and several corporate Guarantee of the Guarantors, the full terms of which are set out in clause 3 below.

### **2. INFORMATION ABOUT THE GUARANTORS**

The information about each of the Guarantors required pursuant to the Listing Rules and the Regulation may be found in the Registration Document forming part of the Prospectus.

### **3. TERMS OF THE GUARANTEE**

#### **3.1 Covenant to pay**

For the purposes of the Guarantee, the Guarantors, as primary obligors, hereby jointly and severally with the Issuer irrevocably and unconditionally guarantee to each Bondholder that if for any reason the Issuer fails to pay any sum payable by it to such Bondholder pursuant to the terms and conditions of the Bonds detailed in the Securities Note as and when the same shall become due under any of the foregoing, the Guarantors will pay to such Bondholder on written demand the amount payable by the Issuer to such Bondholder. All demands shall be sent to the addresses as are stated below in clause 3.11 as the same may be changed by company announcement issued by the Issuer from time to time.

Such payment shall be made in the currency in force in Malta at the time the payment falls due.

All payments shall be made to Bondholders without any withholding for taxes (and in so far as this obligation exists under any law the payment shall be grossed up by the amount of withholding) and without set-off for any amounts which may be then owing to the Guarantors by the Issuer.

This Guarantee shall apply to all Bonds issued on or after 22 March 2019 in accordance with the terms of the Securities Note.

#### **3.2 Guarantors as joint and several sureties**

Each Guarantor will be liable under this Guarantee as joint and several surety with the Issuer.

#### **3.3 Maximum liability**

This is a continuing Guarantee for the whole amount due or owing under the Bonds or which may hereafter at any time become due or owing under the Bonds by the Issuer, but the amount due by the Guarantors to the Bondholders under this Guarantee shall be up to and shall not be in excess of €13,500,000 (thirteen million, five hundred thousand Euro), apart from interest due up to the date of payment and costs and expenses relating to the protection, preservation, collection or enforcement of the Bondholders' rights against the Issuer and/or the Guarantors, which shall be additional to the maximum sum herein stated.

### 3.4 Continuing and unconditional liability

The liability of each Guarantor under this Guarantee shall be continuing until such time as the Indebtedness is fully repaid and shall in no way be prejudiced or affected, nor shall it in any way be discharged or reduced, by reason of:

- a. the bankruptcy, insolvency or winding up of the Issuer; or
- b. the incapacity or disability of the Issuer; or
- c. any change in the name, style, constitution, any amalgamation or reconstruction of either the Issuer or any of the Guarantors;
- d. a Bondholder conceding any time or indulgence, or compounding with, discharging, releasing or varying the liability of the Issuer or renewing, determining, reducing, varying or increasing any accommodation or transaction or otherwise dealing with the same in any manner whatsoever or concurring in, accepting or in any way varying any compromise, composition, arrangement or settlement or omitting to claim or enforce or extract payment from the Issuer; or
- e. any event, act or omission that might operate to exonerate any Guarantor without settlement in full of the Indebtedness towards the relevant Bondholder.

### 3.5 Indemnity

As a separate and alternative stipulation, each Guarantor unconditionally and irrevocably agrees that any Indebtedness to be payable by the Issuer but which is for any reason (whether or not now known or becoming known to the Issuer, any Guarantor or any Bondholder) not recoverable from any Guarantor, will nevertheless be recoverable from it as if it were the sole principal debtor and will be paid by it to the Bondholder on demand. This indemnity constitutes a separate and independent obligation from the other obligations in this Guarantee, gives rise to a separate and independent obligation from the other obligations in this Guarantee, and gives rise to a separate and independent cause of action.

### 3.6 Representations and warranties

3.6.1 Each Guarantor represents and warrants:

- (i) that it is duly incorporated and validly existing under the laws of Malta and has the power to carry on its business;
- (ii) that it has power to grant this Guarantee and that this Guarantee is duly authorised and all corporate action has been taken by said Guarantor in accordance with its deeds of constitution and the laws of its incorporation and regulation;
- (iii) that this Guarantee constitutes and contains valid and legally binding obligations of the Guarantor enforceable in accordance with its terms;
- (iv) that this Guarantee does not and will not constitute default with respect to or run counter to any law, by-law, articles of incorporation, statute, rule, regulation, judgement, decree or permit to which said Guarantor is or may be subject, or any agreement or other instrument to which said Guarantor is a party or is subject or by which it or any of its property is bound;
- (v) that this Guarantee shall not result in or cause the creation or imposition of, or oblige a Guarantor to create, any encumbrance on any of the Guarantors' undertakings, assets, rights or revenues;
- (vi) that it is in no way engaged in any litigation, arbitration or administrative proceeding of a material nature (which for the purposes of this Guarantee shall mean proceedings relative to a claim amounting to at least €1,000,000) and nor is it threatened with any such procedures;
- (vii) that the obligations of the Guarantors under this Guarantee constitute general, direct and unsecured obligations of the Guarantors and rank equally with all their respective other existing and future unsecured obligations, except for any debts for the time being preferred by law;
- (viii) that it is not in breach of or in default under any agreement relating to indebtedness to which it is a party or by which it may be bound, nor has any default occurred in its regard;
- (ix) that all the information, verbal or otherwise, tendered in connection with the negotiation and preparation of this Guarantee is accurate and true and there has been no omission of any material facts; and
- (x) that the granting of this Guarantee is in the commercial interest of said Guarantor and that said Guarantor acknowledges that it is deriving commercial benefit therefrom.

3.6.2 As from the date of this Guarantee, until such time as the Indebtedness is paid in full to the Bondholders, and for as long as this Guarantee shall remain in force, the Guarantors shall hold true, good and valid all the representations and warranties given under this clause.



### **3.7 Deposit and production of the Guarantee**

The instrument creating this Guarantee shall be deposited with and be held by the Issuer at its registered address for the benefit of the Bondholders until all obligations of the Guarantors have been discharged in full, and until such time the Guarantors acknowledge the right of every Bondholder to obtain a copy of the instrument creating the Guarantee.

### **3.8 Subrogation**

Until all amounts which may be payable under the terms of the Bonds have been irrevocably paid in full, the Guarantors shall not by virtue of this Guarantee be subrogated to any rights of any Bondholder or claim in competition with the Bondholders against the Issuer.

### **3.9 Benefit of the Guarantee and no assignment**

This Guarantee is to be immediately binding upon the Guarantors for the benefit of the Bondholders. The Guarantors shall not be entitled to assign or transfer any of their respective obligations under this same Guarantee.

### **3.10 Amendments**

The Guarantors have the power to veto any changes to the terms and conditions of the Bonds which are issued with the benefit of this Guarantee.

### **3.11 Notices**

For notification purposes in connection with this Guarantee, the proper addresses and telephone numbers of each of the Guarantors are:

#### **International Fender Providers Ltd**

**Address:** 10, Timber Wharf, Marsa MRS 1443, Malta  
**Telephone number:** +356 2206000  
**Contact person:** Glen Grima

#### **IFP International Fender Providers Limited**

**Address:** Florinis, 7, Greg Tower, 2<sup>nd</sup> Floor, 1065, Nicosia, Cyprus  
**Telephone number:** +357 22 451555  
**Contact person:** Ntina Panayidou

#### **P & C Limited**

**Address:** 10, Timber Wharf, Marsa MRS 1443, Malta  
**Telephone number:** +356 2206000  
**Contact person:** Glen Grima

### **3.12 Governing law and jurisdiction**

This Guarantee is governed by and shall be construed in accordance with Maltese Law.

Any dispute, controversy or claim arising out of or relating to this Guarantee or as to the interpretation, validity, performance or breach thereof shall be brought exclusively before the Maltese courts.

## ANNEX 2 - AUTHORISED FINANCIAL INTERMEDIARIES

Calamatta Cuschieri Investment Services Ltd  
Address: Ewropa Business Centre, Triq Dun Karm Birkirkara,  
BKR 9034  
Telephone: 25688688

## ANNEX 3 - FINANCIAL ANALYSIS SUMMARY

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FINANCIAL ANALYSIS SUMMARY  
Endo Finance p.l.c.  
6 March 2019



The Directors  
Endo Finance p.l.c.,  
10, Timber Wharf,  
Marsa, MRS 1443, Malta

6 March 2019

Dear Sirs,

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

The purpose of the financial analysis is that of summarising key financial data appertaining to Endo Finance p.l.c. (“the Issuer”), and International Fender Providers Ltd (C 69877), IFP International Fender Providers Limited (HE 348221), P & C Limited (C 13033) collectively (“the Guarantors”) and related companies within the group as explained in part 1 of the Analysis. The data is derived from various sources or is based on our own computations as follows:

(a) Historical financial data for the three years ended 2015, 2016 and 2017 has been extracted from the audited financial statements of the Guarantors.

(b) The forecast data for the financial year 2018 and the year ending 2019 have been provided by management.

(c) Our commentary on the Issuer and Guarantors’ results and financial position is based on the explanations set out by the Issuer in the Prospectus and Listing Authority Policies.

(d) The ratios quoted in the Financial Analysis Summary have been computed by us applying the definitions set out in Part 4 of the Analysis.

(e) The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Registrar of Companies.

The Analysis is meant to assist potential investors by summarising the more important financial data set out in the Prospectus. The Analysis does not contain all data that is relevant to potential investors and is meant to complement, and not replace, the contents of the full Prospectus. The Analysis does not constitute an endorsement by our firm of the proposed Bond Issue and should not be interpreted as a recommendation to invest in the Bonds. We shall not accept any liability for any loss or damage arising out of the use of the Analysis and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. Potential investors are encouraged to seek professional advice before investing in the bonds.

Yours sincerely,



Nick Calamatta  
Co-CEO

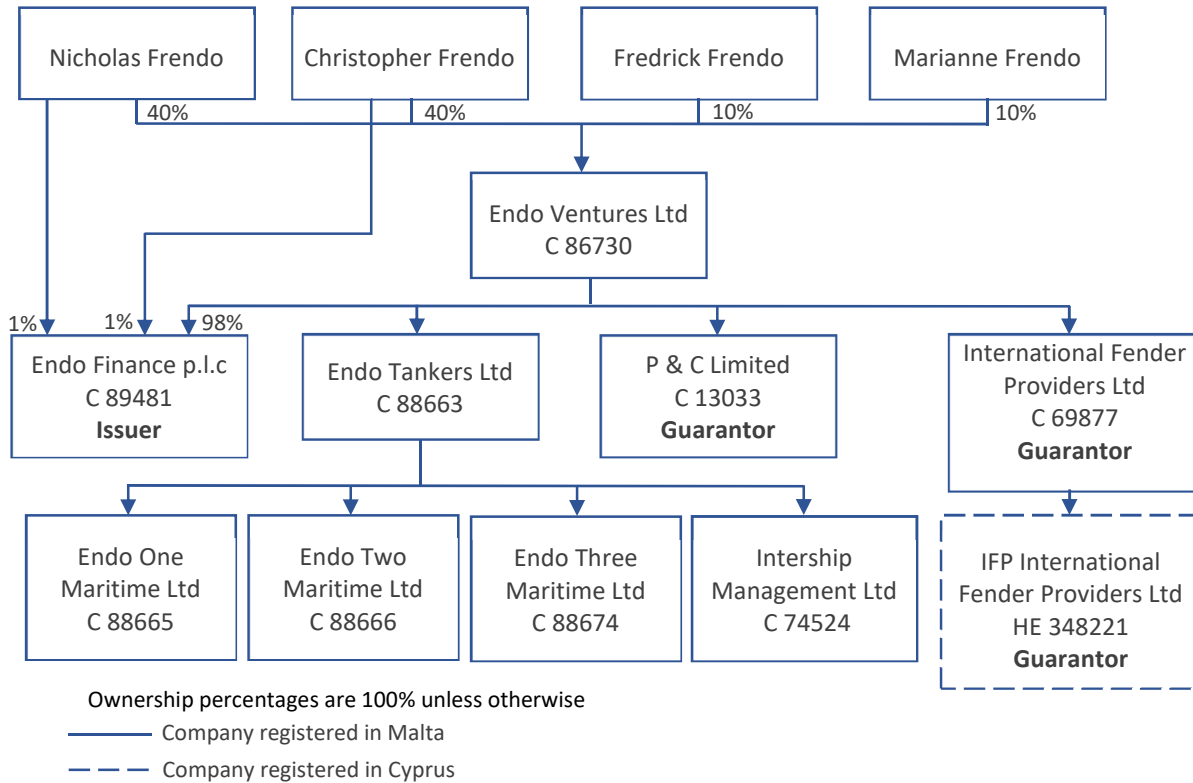
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## Part 1 - Information about the Endo Group

### 1.1 Issuer, Guarantors and Endo Group's Subsidiaries Key Activities and Structure

The Endo Group structure is as follows:



The “Endo Group” of companies consists of Endo Ventures Ltd being the “Parent” company of the Endo Group, the Issuer, the Guarantors, and Endo Tankers Ltd, which include its subsidiaries Endo One Maritime Ltd, Endo Two Maritime Ltd, Endo Three Maritime Ltd and Intership Management Ltd. The objective of the Endo Group is to acquire, finance, manage and charter commercial vessels, in addition to providing ship to ship services.

Endo Tankers Ltd (“Endo Tankers”) was incorporated on 8 October 2018 and acts as a holding company of the “Endo Tankers Sub-Group”. The Endo Tankers Sub-Group is chiefly involved in the acquisition, financing, management and chartering of commercial vessels. Endo One Maritime Ltd (“Endo One”), Endo Two Maritime Ltd (“Endo Two”), Endo Three Maritime Ltd (“Endo Three”) and Intership Management Ltd are all fully-owned subsidiaries of Endo Tankers.

The Issuer, Endo Finance plc, company registration number C 89481, is a limited liability company registered in Malta on 20 November 2018. The Issuer is, except for one ordinary share which is held by Christopher Frendo and another ordinary share held by Nicholas Frendo, a fully-owned subsidiary of the Parent company of the Endo Group. The Issuer, which was set up and established to act as a finance vehicle, has as at the date of the prospectus an authorised and issued share capital of €250,000 divided into 250,000 ordinary shares of €1 each, all fully paid up.

The Guarantors consist of International Fender Providers Ltd, IFP International Fender Providers Limited and P & C Limited. International Fender Providers Ltd (“IFP Malta”), a fully-owned subsidiary of the Parent, is a private limited liability company incorporated and registered in Malta on 2 April 2015, with company registration number C 69877. The authorised and issued share capital of IFP Malta is €16,000 divided into 16,000 ordinary shares having a nominal value of €1 each, all fully paid up. The principal activity of IFP Malta is a ship to ship service provider with ship to ship bases in Malta, Augusta and Cyprus. It assists with the transfer of any cargo between any sized ships with all ship to ship operations carried out as per Oil Companies International Marine Forum (OCIMF) guidelines. As part of its service IFP Malta also offers the hire of Yokohama fenders and hoses used for the transfer of cargo from one ship to another.



IFP International Fender Providers Ltd (“IFP Cyprus”), a fully-owned subsidiary of IFP Malta, is a private limited liability company incorporated and registered in Cyprus on 26 October 2015, with company registration number HE 348221. IFP Cyprus has an authorised share capital of €2,000 divided into 2,000 ordinary shares of €1 each and an issued share capital of €1,000 divided into 1,000 ordinary shares having a nominal value of €1 each, all fully paid up. IFP Cyprus carries out the same principal activity as IFP Malta and was incorporated to take over the ship to ship operations in Cyprus.

P & C Limited, a fully-owned subsidiary of the Parent, is a private limited liability company incorporated and registered in Malta on 28 August 1991, with company registration number C 13033. The authorised and issued share capital of P & C is €11,646.86 divided into 5,000 ordinary shares having a nominal value of €2.329373 each, all 20% paid up. The principal objective of P & C Limited is to purchase or otherwise acquire, under any title whatsoever, any immovable or otherwise deal in and hold for the purpose of development or resale and traffic in any freehold, leasehold or other property or any estate or interest whatsoever.

Endo Ventures Ltd was set up on 11 June 2018 and acts as the holding company of the Endo Group. The Parent has an authorised share capital of €2,130,000 divided into 2,130,000 Ordinary shares of €1 each and an issued share capital of €1,200 divided into 1,200 ordinary shares having a nominal value of €1 each, all fully paid up. The ultimate beneficial owners are; Mr. Christopher Frendo and Mr. Nicholas Frendo who both hold 480 ordinary shares each, and Mr. Fredrick Frendo and Ms. Marianne Frendo who both hold 120 ordinary shares each.

Endo One, Endo Two and Endo Three were all incorporated on 8 October 2018. Endo One was set up to acquire a 599 DWT vessel, “Mumtaz”, an oil tanker used for the transportation of petroleum products and for bunkering operations. Endo Two was incorporated in order to acquire “Vessel 2”, being a Medium Range (“MR”) 45,000 to 50,000 DWT oil tanker. Endo Three was incorporated in order to acquire “Vessel 3”, being a, 5,000 to 8,000 DWT vessel, an oil tanker to be used for the transportation of petroleum products and for bunkering operations. All three vessels are to operate both in the Maltese territorial waters and international waters, except for Vessel 2 which will operate in the international time-charter market.

Intership Management Ltd was set up on 25 February 2016 and is a ship management company which provides a complete and comprehensive set of ship management services to Endo One, Endo Two and Endo Three. The company is certified by Bureau Veritas and complies with the International Management Code for the Safe Operation of Ships and for Pollution Prevention.

## 1.2 Directors and Key Employees

### Board of Directors - Issuer

As at the date of the prospectus, the Issuer is constituted by the following persons:

NAME	OFFICE DESIGNATION
CHRISTOPHER FREUDO	Executive Director
NICHOLAS FREUDO	Executive Director
ANTHONY BUSUTTIL	Independent non-executive Director
FRANCIS GOUDER	Independent non-executive Director
ERICA SCERRI	Independent non-executive Director

The business address of all of the directors is the registered office of the Issuer. Refer to section 4 of the registration document for the curriculum vitae of the Issuer’s directors. Dr Luca Vella is the company secretary of the Issuer.

## Board of Directors – Guarantors

As at the date of the prospectus, the Guarantors are constituted by the following persons:

### IFP Malta

NAME	OFFICE DESIGNATION
CHRISTOPHER FREND0	Executive Director and Company Secretary
NICHOLAS FREND0	Executive Director

The business address of all of the directors is the registered office of the Issuer.

### IFP Cyprus

NAME	OFFICE DESIGNATION
CHRISTOPHER FREND0	Executive Director
NICHOLAS FREND0	Executive Director
CHRYSTALLA MYLONA	Non-executive Director and Company Secretary
CONSTANTINA PANAYIDOU	Non-executive Director

The business address of all of the directors is Florinis, 7, Greg Tower, 2<sup>nd</sup> Floor, 1065, Nicosia, Cyprus.

### P & C Limited

NAME	OFFICE DESIGNATION
CHRISTOPHER FREND0	Executive Director
NICHOLAS FREND0	Executive Director and Company Secretary

The business address of all of the directors is the registered office of the Issuer. Refer to section 4 of the registration document for the curriculum vitae of the Guarantors' directors.

The Issuer is currently managed by a board of five directors who are responsible for the overall direction and management of the Issuer. The board currently consists of two executive directors, who are entrusted with the Issuer's day-to-day management, and three non-executive directors, all of whom are also independent of the Issuer, whose main functions are to monitor the operations of the executive directors and their performance, as well as to review any proposals tabled by the executive directors. This practice goes in accordance with the generally accepted principles of sound corporate governance, where at least one of the directors shall be a person independent of a group of companies. No directors have been removed since the Issuer's inception. The Issuer does not have any employees of its own, and thus is dependent on the resources within the Endo Group entities.

Each Guarantor has its own board of directors which is responsible for the management and direction of the respective Guarantor. All three Guarantors are governed by the same two directors who both act as executive directors in all of their positions, with the exception of IFP Cyprus, whereby, in addition to the two executive directors, the board also consist of another two non-executive directors.

### 1.3 Major Assets owned by the Endo Group

The Issuer does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company.

In March 2016 a related group (“Palm Group”), which is controlled by the same beneficial owners of the Endo Group, acquired its first vessel Mumtaz. The vessel, built in 2002 and having a total length of 44.84 meters, is a 599 dead weight tonnage oil tanker used for the transportation of petroleum products and for bunkering operations both in the Maltese territorial waters and international waters. Mumtaz is currently being leased under a bareboat charter agreement to a subsidiary of Palm Group. Following its incorporation, Endo One acquired Mumtaz from Palm Group on 1 November 2018, for the price of €1.8 million, being an amount equivalent to the value of the vessel. This amount due to Palm Group was novated upwards within the Endo Group, where the liability of €1.8 million was capitalised and exchanged for shares to the ultimate beneficiary owners of the Endo Group.

As part of its operations as a ship to ship service provider, IFP Malta and IFP Cyprus require fenders and hoses for the transfer of cargo from one ship to another. Fenders offer protection to the ships by absorbing energy as the vessels berth alongside each other and hoses are used to transfer cargo between ships. Currently, IFP Malta owns 4 sets of fenders and hoses which are also used by IFP Cyprus. Each set mainly consist of 4 or 5 primary fenders, 2 secondary fenders and 4 hoses.

P & C Limited has an investment property which is situated at 9, 10, Timber Wharf in Marsa. The premises comprise a large street level warehouse with a floor area of circa 128 sqm and three floors of office space and recessed floor. As per Architect’s valuation dated 7 August 2018, the property which is owned by the company was valued at €7.2 million. This property is in the process of being sold off and is currently on a promise of sale agreement signed in March 2018, where such agreement will expire within two years from the date of signing of such agreement.

Through the proceeds of the bond issue Endo Two will acquire Vessel 2 for circa €8.4 million and Endo Three will acquire vessel 3 for circa €4.2 million.

ASSET	COMPANY	BALANCE AS AT 31 DECEMBER 2017
MUMTAZ - VESSEL	Endo One	€ 1,800,000
FENDERS AND HOSES	IFP Malta	€ 1,027,363
INVESTMENT PROPERTY	P & C Limited	€ 7,200,000

### 1.4 Operational Developments

As intimated above, the Endo Tankers Sub-Group was recently incorporated to be engaged in the business of acquiring, financing, managing and chartering commercial vessels, in addition to, strengthening the operations of Palm Group, being the bunkering and transportation of petroleum products. It is the Endo Tankers Sub-Group’s intention that the proceeds from the bond issue be utilised to finance the acquisition of Vessel 2 and Vessel 3 as further discussed in the below table, and subsequently for such vessels to be leased out under separate charter agreements to third parties or related parties. As a result of the bond issue the Endo Group will be able to penetrate the international time charter market.

	ENDO ONE	ENDO TWO	ENDO THREE
<b>VESSEL NAME</b>	Mumtaz	Vessel 2	Vessel 3
<b>VESSEL TYPE</b>	Oil Tanker	Oil Tanker	Oil Tanker
<b>VESSEL SIZE CLASS</b>	Bunker	Medium Range	Small Range
<b>DEAD WEIGHT TONNAGE</b>	599	45,000 - 50,000	5,000 - 8,000
<b>LENGTH (METERS)</b>	44.84	180 - 190	90 – 120
<b>YEARS FROM BUILD</b>	16	9 - 15	9 - 15
<b>ADDITIONAL USEFUL LIFE</b>	10	10 - 15	10 – 15
<b>CERTIFIED BY APPROVED CLASSIFICATION SOCIETY</b>	Yes	Yes	Yes

## Part 2 – Historical Performance and Forecasts

The Issuer was incorporated on 20 November 2018 and, accordingly, has no trading record or history of operations. Furthermore, the Issuer itself does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company solely for the needs of the Endo Group, and, as such, its assets are intended to consist primarily of loans issued to the Endo Tankers Sub-Group's companies.

For the purpose of this document, the focus is on a review of the performance of the Guarantors and the Endo Group. The Guarantors' historical financial information for the period ended 31 December 2015 to 31 December 2017 is set out in the audited financial statements of the Guarantors section 2.4 to 2.6. Forecasts of the Endo Group are based on management projections and are set out in section 2.7 to 2.8.

### 2.1 Issuer Projected Statement of Comprehensive Income

PROJECTED STATEMENT OF COMPREHENSIVE INCOME	2018F	2019P
	€000s	€000s
REVENUE	71	852
ADMINISTRATIVE EXPENSES	(59)	(60)
<b>EBITDA</b>	<b>12</b>	<b>792</b>
AMORTISATION	(40)	(40)
<b>EBIT</b>	<b>(28)</b>	<b>752</b>
FINANCE COSTS	(51)	(608)
<b>PROFIT BEFORE TAX</b>	<b>(79)</b>	<b>144</b>
INCOME TAX	-	(67)
<b>PROFIT FOR THE YEAR</b>	<b>(79)</b>	<b>77</b>
<b>RATIO ANALYSIS</b>	<b>2018F</b>	<b>2019P</b>
<b>EBITDA MARGIN (EBITDA / REVENUE)</b>	16.9%	93.0%
<b>OPERATING (EBIT) MARGIN (EBIT / REVENUE)</b>	n/a	88.3%
<b>NET MARGIN (PROFIT FOR THE YEAR / REVENUE)</b>	n/a	9.0%

The Issuer is projected to incur a loss in the current year as the admin expenses and the bond amortisation costs outweigh the net finance income. Nonetheless, it will become profitable from 2019 onwards, representing the marginal interest rate charged higher to its related parties when compared to the coupon rate that the Issuer incurs with regards to the bond issue.

## 2.2 Issuer Projected Statement of Financial Position

PROJECTED STATEMENT OF FINANCIAL POSITION	2018F	2019P
	€000s	€000s
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
FINANCIAL ASSETS	13,105	13,105
INTANGIBLE ASSETS	355	316
	<b>13,460</b>	<b>13,421</b>
<b>CURRENT ASSETS</b>		
CASH AND CASH EQUIVALENTS	211	395
	<b>211</b>	<b>395</b>
<b>TOTAL ASSETS</b>	<b>13,671</b>	<b>13,816</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
SHARE CAPITAL	250	250
RETAINED EARNINGS	(79)	(2)
<b>TOTAL EQUITY</b>	<b>171</b>	<b>248</b>
<b>NON-CURRENT LIABILITIES</b>		
DEBT SECURITIES IN ISSUE	13,500	13,500
	<b>13,500</b>	<b>13,500</b>
<b>CURRENT LIABILITIES</b>		
CURRENT TAX PAYABLE	-	68
<b>TOTAL LIABILITIES</b>	<b>13,500</b>	<b>13,568</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>13,671</b>	<b>13,816</b>

The Issuer's major asset shall comprise of the loans advanced to its related companies, whereas the major liability shall comprise of the bond issue, on which a coupon rate of 4.5% is payable to bond holders annually.

## 2.3 Issuer Projected Statement of Cash Flows

PROJECTED STATEMENT OF CASH FLOWS	2018F	2019P
	€000s	€000s
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
EBITDA	12	792
INTEREST PAID	(51)	(608)
<b>NET CASH USED IN/(GENERATED FROM) OPERATING ACTIVITIES</b>	<b>(39)</b>	<b>184</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
BOND ISSUE COST	(395)	-
LOANS TO RELATED PARTIES	(13,105)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(13,500)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM EQUITY	250	-
PROCEEDS FROM THE ISSUE OF DEBT SECURITIES	13,500	-
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>13,750</b>	<b>-</b>
<b>NET MOVEMENTS IN CASH AND CASH EQUIVALENTS</b>	<b>211</b>	<b>184</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR</b>	<b>-</b>	<b>211</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>211</b>	<b>395</b>

The net cash generated from operating activities represents the net finance margin between the Issuer's coupon expense and the interest charged to its related parties, the administration expenses, the taxation paid on the Issuer's profit, and the bond issue costs.

## 2.4 Guarantors' Statement of Comprehensive Income

### Historical Performance

#### P & C Limited

P & C Limited is one of the Guarantors and is engaged in investing and renting of property. The company's year-end is currently 31 July, which will be changed to 31 December as from next year. The audited historical performance for the period ended 31 July 2015 to 31 July 2017, inclusive of the interim unaudited management accounts as of 30 June 2018, is presented below.

STATEMENT OF COMPREHENSIVE INCOME	31/7/2015 AUDITED	31/7/2016 AUDITED	31/7/2017 AUDITED	30/6/2018 MANAGEMENT
	€	€	€	€
<b>REVENUE</b>	99,279	87,692	111,448	137,921
OTHER INCOME	-	-	-	2,840
ADMINISTRATIVE EXPENSES	(37,104)	(29,653)	(39,085)	(43,869)
<b>EBITDA</b>	<b>62,175</b>	<b>58,039</b>	<b>72,363</b>	<b>96,892</b>
DEPRECIATION	(45,681)	(21,978)	(20,318)	(5,739)
<b>EBIT</b>	<b>16,494</b>	<b>36,061</b>	<b>52,045</b>	<b>91,153</b>
MOVEMENT IN REVALUATION OF INVESTMENT PROPERTY	-	235,847	-	-
FINANCE COSTS	(14,106)	(9,767)	(6,886)	(44,282)
<b>PROFIT BEFORE TAX</b>	<b>2,388</b>	<b>262,141</b>	<b>45,159</b>	<b>46,871</b>
TAXATION	12,509	(33,353)	(40,239)	-
<b>PROFIT AFTER TAX</b>	<b>14,897</b>	<b>228,788</b>	<b>4,920</b>	<b>46,871</b>



RATIO ANALYSIS	31/7/2015	31/7/2016	31/7/2017	30/6/2018
<b>EBITDA MARGIN (EBITDA / REVENUE)</b>	62.6%	66.2%	64.9%	70.3%
<b>OPERATING (EBIT) MARGIN (EBIT / REVENUE)</b>	16.6%	41.1%	46.7%	66.1%
<b>NET MARGIN (PROFIT FOR THE YEAR / REVENUE)</b>	15.0%	260.9%	4.4%	34.0%

The company generates its revenue through the rental of its property in Marsa to third parties as well as to a related company, Palm Shipping Agency Limited. Apart from the rental income, P & C also charges management fees to another related company, Palm Enterprises Limited. Both companies, Palm Shipping Agency Limited and Palm Enterprises Limited form part of the Palm Group.

P & C maintained a stable EBITDA margin throughout 2015, 2016 and 2017. For 2018, the company registered an EBITDA margin of 70.3%. This increase in EBITDA is the result of the increase in revenue and the one off other income which comprised of a refund of a licence fee. Considering that the company's revenue is mainly rental income, there are no additional costs directly related to the increase in revenue, and hence the EBITDA margin improved over 2017 levels.

#### International Fender Providers Limited

International Fender Providers Limited is one of the Guarantors and is engaged in the service of transferring cargo between ship to ship operations, in addition to, hiring of fenders and hoses. The company's year-end is 31 December. The audited historical performance for the period ended 31 December 2015 to 31 December 2017, inclusive of the interim unaudited management accounts as of 30 June 2018, is presented below.

STATEMENT OF COMPREHENSIVE INCOME	2015 AUDITED	2016 AUDITED	2017 AUDITED	30/6/2018 MANAGEMENT
	€	€	€	€
REVENUE	632,644	1,067,700	1,628,569	604,875
COST OF SALES	(184,447)	(699,550)	(973,245)	(396,771)
<b>GROSS PROFIT</b>	<b>448,197</b>	<b>368,150</b>	<b>655,324</b>	<b>208,104</b>
OTHER INCOME	9,609	-	221,952	12,163
ADMINISTRATIVE EXPENSES	(28,260)	(185,310)	(148,618)	(51,988)
<b>EBITDA</b>	<b>429,546</b>	<b>182,840</b>	<b>728,658</b>	<b>168,279</b>
DEPRECIATION	(81,804)	(175,175)	(209,131)	(105,963)
<b>EBIT</b>	<b>347,742</b>	<b>7,665</b>	<b>519,527</b>	<b>62,316</b>
FINANCE COSTS	-	-	(90,904)	(50,459)
<b>PROFIT BEFORE TAX</b>	<b>347,742</b>	<b>7,665</b>	<b>428,623</b>	<b>11,857</b>
TAXATION	(121,710)	(2,682)	(150,888)	-
<b>PROFIT AFTER TAX</b>	<b>226,032</b>	<b>4,983</b>	<b>277,735</b>	<b>11,857</b>

RATIO ANALYSIS	2015	2016	2017	30/6/2018
<b>EBITDA MARGIN (EBITDA / REVENUE)</b>	67.9%	17.1%	44.7%	27.8%
<b>OPERATING (EBIT) MARGIN (EBIT / REVENUE)</b>	55.0%	0.7%	31.9%	10.3%
<b>NET MARGIN (PROFIT FOR THE YEAR / REVENUE)</b>	35.7%	0.5%	17.1%	2.0%

IFP Malta generates its revenue from the provision of fenders and hoses used for the transfer of cargo from one ship to another. In addition, it provides mooring master services. For these services, the company enters into fixed fee contracts up to a stipulated amount of hours, with a variable amount at a fixed fee thereafter. Management explained that the business of the company is affected by seasonality factors due to bad weather conditions during the months of January, February, October, November and December.

The increase in the company's revenue during the period 2015 to 2017 relates to an increase in ship to ship operations which are also known as voyages. The revenue in 2018 represents the revenue generated till June 2018, which represents revenue earned from 65 voyages.

In 2016, the EBITDA of the company decreased to 17.1% when compared with that of 2015. This change was due to a decrease in gross profit. However, this decrease was partly offset by a gain on exchange. The EBITDA margin for 2017 increased to 44.7% and management attributed this increase to a gain on exchange which amounted €220,616. These differences of exchange occur since the company's operational currency the USD dollar and its functional currency is the Euro. Moreover, in 2018 the company registered an EBITDA margin of 27.8%, maintaining same levels as 2016.

#### IFP International Fender Providers Limited

IFP International Fender Providers Limited is one of the Guarantors and is engaged in the service of transferring cargo between ship to ship operations, in addition to, hiring of fenders and hoses which are all carried in Cyprus. The company was incorporated on October 2015 and has a year-end of 31 December. As such, only two years of historical audited performance is available, except for the interim unaudited management accounts as of 30 June 2018, which are all presented below.

STATEMENT OF COMPREHENSIVE INCOME	2016 AUDITED	2017 AUDITED	30/6/2018 MANAGEMENT
	€	€	€
REVENUE	1,303,706	457,027	198,283
COST OF SALES	(750,617)	(291,864)	(120,170)
<b>GROSS PROFIT</b>	<b>553,089</b>	<b>165,163</b>	<b>78,113</b>
OTHER INCOME	268	2,615	-
ADMINISTRATIVE EXPENSES	(91,762)	(54,012)	(18,268)
<b>EBITDA</b>	<b>461,595</b>	<b>113,766</b>	<b>59,845</b>
DEPRECIATION	(59,218)	(76,378)	(38,411)
<b>EBIT</b>	<b>402,377</b>	<b>37,388</b>	<b>21,434</b>
FINANCE COSTS	(3,518)	(5,697)	-
<b>PROFIT BEFORE TAX</b>	<b>398,859</b>	<b>31,691</b>	<b>21,434</b>
TAXATION	(50,073)	(4,571)	-
<b>PROFIT AFTER TAX</b>	<b>348,786</b>	<b>27,120</b>	<b>21,434</b>

RATIO ANALYSIS	2016	2017	30/6/2018
<b>EBITDA MARGIN (EBITDA / REVENUE)</b>	35.4%	24.9%	30.2%
<b>OPERATING (EBIT) MARGIN (EBIT / REVENUE)</b>	30.9%	8.2%	10.8%
<b>NET MARGIN (PROFIT FOR THE YEAR / REVENUE)</b>	26.8%	5.9%	10.8%

IFP Cyprus carries out the same activity as that of IFP Malta, with the exception that IFP Cyprus controls only the operations carried out in Cyprus.

In 2016, the company generated revenue amounting to circa €1.3m, through 54 voyages, out of which 18 were conducted in Augusta and 36 conducted in Cyprus. In 2017, the company experienced a decrease of 65% in its revenue which was mainly attributable to a decrease in operations. Management explained that the company conducted only 27 voyages, 3 in Augusta and 24 in Cyprus since the management shifted their focus to operations in Malta. In 2018, the company registered revenue amounting to €198k representing revenue from 13 voyages conducted till June 2018.

In 2017, the EBITDA of the company decreased to 24.9% from 35.4% in 2016. In 2018, EBIT margins increased to 10.8%. Management attributes this increase in margins due to complete termination of the Augusta operations. The Augusta operations generated lower gross profit margins when compared with Cyprus operations. Hence, with the termination of the Augusta operations, the company improved its EBIT margin.

**Combined Projected Performance of the Guarantors**

<b>PROJECTED STATEMENT OF COMPREHENSIVE INCOME</b>	<b>2018F</b>	<b>2019P</b>
	<b>€000s</b>	<b>€000s</b>
REVENUE	1,956	1,995
COST OF SALES	(1,153)	(1,176)
<b>GROSS PROFIT</b>	<b>803</b>	<b>819</b>
ADMINISTRATIVE EXPENSES	(214)	(218)
<b>EBITDA</b>	<b>589</b>	<b>601</b>
DEPRECIATION	(262)	(243)
<b>EBIT</b>	<b>327</b>	<b>358</b>
FINANCE COSTS	(95)	(80)
<b>PROFIT BEFORE TAX</b>	<b>232</b>	<b>278</b>
TAXATION	(72)	(87)
<b>PROFIT AFTER TAX</b>	<b>160</b>	<b>191</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
GAINS ON PROPERTY REVALUATION	4,216	-
TAXATION	(395)	-
OTHER COMPREHENSIVE INCOME NET OF TAXATION	3,821	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>3,981</b>	<b>191</b>
<b>RATIO ANALYSIS</b>	<b>2018F</b>	<b>2019P</b>
<b>EBITDA MARGIN (EBITDA / REVENUE)</b>	30.1%	30.1%
<b>OPERATING (EBIT) MARGIN (EBIT / REVENUE)</b>	16.7%	17.9%
<b>NET MARGIN (PROFIT FOR THE YEAR / REVENUE)</b>	8.2%	9.6%

## 2.5 Guarantors' Statement of Financial Position

### Historical Performance

#### P & C Limited

STATEMENT OF FINANCIAL POSITION	31/7/2015 AUDITED	31/7/2016 AUDITED	31/7/2017 AUDITED	30/6/2018 MANAGEMENT
	€	€	€	€
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
INVESTMENT PROPERTY	2,223,147	2,600,000	2,858,723	2,984,102
PROPERTY, PLANT AND EQUIPMENT	88,309	66,332	46,014	40,273
	<b>2,311,456</b>	<b>2,666,332</b>	<b>2,904,737</b>	<b>3,024,375</b>
<b>CURRENT ASSETS</b>				
TRADE AND OTHER RECEIVABLES	383,276	418,660	516,497	568,156
CURRENT TAX RECOVERABLE	14,994	17,290	17,435	-
CASH AT BANK AND IN HAND	13,037	4,283	-	2,537
	<b>411,307</b>	<b>440,233</b>	<b>533,932</b>	<b>570,693</b>
<b>TOTAL ASSETS</b>	<b>2,722,763</b>	<b>3,106,565</b>	<b>3,438,669</b>	<b>3,595,068</b>
<b>EQUITY AND LIABILITIES</b>				
<b>CAPITAL AND RESERVES</b>				
CALLED UP ISSUED SHARE CAPITAL	2,329	2,329	2,329	2,329
REVALUATION RESERVE	96,205	1,193,077	1,168,796	1,168,796
RETAINED EARNINGS	1,010,344	202,062	231,263	278,132
<b>TOTAL EQUITY</b>	<b>1,108,878</b>	<b>1,397,468</b>	<b>1,402,388</b>	<b>1,449,257</b>
<b>NON-CURRENT LIABILITIES</b>				
SHAREHOLDERS LOAN	830,478	849,291	919,486	849,536
BENEFICIAL OWNER'S LOAN	30,273	30,273	30,273	30,273
BANK LOANS	488,401	527,444	690,735	897,746
DEFERRED TAXATION	229,920	227,173	252,246	252,246
	<b>1,579,072</b>	<b>1,634,181</b>	<b>1,892,740</b>	<b>2,029,801</b>
<b>CURRENT LIABILITIES</b>				
TRADE AND OTHER PAYABLES	22,588	5,861	79,858	116,010
SHORT TERM BORROWINGS	12,225	69,055	63,683	-
	<b>34,813</b>	<b>74,916</b>	<b>143,541</b>	<b>116,010</b>
<b>TOTAL LIABILITIES</b>	<b>1,613,885</b>	<b>1,709,097</b>	<b>2,036,281</b>	<b>2,145,811</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,722,763</b>	<b>3,106,565</b>	<b>3,438,669</b>	<b>3,595,068</b>

International Fender Providers Limited

STATEMENT OF FINANCIAL POSITION	2015 AUDITED	2016 AUDITED	2017 AUDITED	30/6/2018 MANAGEMENT
	€	€	€	€
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
INVESTMENT IN SUBSIDIARY	1,000	1,000	1,000	1,000
PROPERTY, PLANT AND EQUIPMENT	791,855	843,087	693,193	593,327
RELATED PARTY LOANS	-	2,071,621	2,407,427	2,800,053
DEFERRED TAXATION	-	29,425	-	-
	<b>792,855</b>	<b>2,945,133</b>	<b>3,101,620</b>	<b>3,394,380</b>
<b>CURRENT ASSETS</b>				
TRADE AND OTHER RECEIVABLES	951,531	522,060	195,916	636,974
CASH AT BANK AND IN HAND	36,925	-	395	8,160
	<b>988,456</b>	<b>522,060</b>	<b>196,311</b>	<b>645,134</b>
<b>TOTAL ASSETS</b>	<b>1,781,311</b>	<b>3,467,193</b>	<b>3,297,931</b>	<b>4,039,515</b>
<b>EQUITY AND LIABILITIES</b>				
<b>CAPITAL AND RESERVES</b>				
CALLED UP ISSUED SHARE CAPITAL	16,000	16,000	16,000	16,000
RETAINED EARNINGS	226,032	231,015	508,750	520,610
<b>TOTAL EQUITY</b>	<b>242,032</b>	<b>247,015</b>	<b>524,750</b>	<b>536,610</b>
<b>NON-CURRENT LIABILITIES</b>				
DEFERRED TAXATION	8,909	-	34,476	34,476
RELATED PARTY LOANS	-	-	-	175,276
	<b>8,909</b>	<b>-</b>	<b>34,476</b>	<b>209,752</b>
<b>CURRENT LIABILITIES</b>				
TRADE AND OTHER PAYABLES	1,530,370	669,101	687,549	1,103,541
SHORT TERM BORROWINGS	-	2,397,260	2,034,170	1,975,182
CURRENT TAX PAYABLE	-	153,817	16,986	-
AMOUNTS DUE TO RELATED PARTIES	-	-	-	214,430
	<b>1,530,370</b>	<b>3,220,178</b>	<b>2,738,705</b>	<b>3,293,153</b>
<b>TOTAL LIABILITIES</b>	<b>1,539,279</b>	<b>3,220,178</b>	<b>2,773,181</b>	<b>3,502,905</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,781,311</b>	<b>3,467,193</b>	<b>3,297,931</b>	<b>4,039,515</b>

IFP International Fender Providers Limited

STATEMENT OF FINANCIAL POSITION	2016 AUDITED	2017 AUDITED	30/6/2018 MANAGEMENT
	€	€	€
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
PROPERTY, PLANT AND EQUIPMENT	276,374	370,189	323,968
	<b>276,374</b>	<b>370,189</b>	<b>323,968</b>
<b>CURRENT ASSETS</b>			
TRADE AND OTHER RECEIVABLES	317,796	323,936	302,104
REFUNDABLE TAXES	6,095	1,524	-
CASH AT BANK AND IN HAND	18,689	68,465	23,234
	<b>342,580</b>	<b>393,925</b>	<b>325,338</b>
<b>TOTAL ASSETS</b>	<b>618,954</b>	<b>764,114</b>	<b>649,306</b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
CALLED UP ISSUED SHARE CAPITAL	1,000	1,000	1,000
RETAINED EARNINGS	348,786	375,906	397,341
<b>TOTAL EQUITY</b>	<b>349,786</b>	<b>376,906</b>	<b>398,341</b>
<b>CURRENT LIABILITIES</b>			
TRADE AND OTHER PAYABLES	269,168	387,208	173,613
AMOUNTS DUE TO RELATED PARTIES	-	-	77,352
	<b>269,168</b>	<b>387,208</b>	<b>250,965</b>
<b>TOTAL LIABILITIES</b>	<b>269,168</b>	<b>387,208</b>	<b>250,965</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>618,954</b>	<b>764,114</b>	<b>649,306</b>

Combined Projected Performance of the Guarantors

PROJECTED STATEMENT OF FINANCIAL POSITION	2018F	2019P
	€000s	€000s
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
INVESTMENT PROPERTY	1,800	-
PROPERTY, PLANT AND EQUIPMENT	6,242	600
RELATED PARTY LOANS	2,410	2,410
	<b>10,452</b>	<b>3,010</b>
<b>CURRENT ASSETS</b>		
NON-CURRENT ASSETS HELD FOR SALE	-	7,200
TRADE AND OTHER RECEIVABLES	988	962
CASH AT BANK AND IN HAND	(1,543)	(1,158)
	<b>(555)</b>	<b>7,004</b>
<b>TOTAL ASSETS</b>	<b>9,897</b>	<b>10,014</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
SHARE CAPITAL	18	18
REVALUATION RESERVE	1,502	1,693
RETAINED EARNINGS	4,990	4,990
<b>TOTAL EQUITY</b>	<b>6,510</b>	<b>6,701</b>
<b>NON-CURRENT LIABILITIES</b>		
LONG TERM LOANS	880	880
BANK LOANS	720	14
DEFERRED TAXATION	682	682
	<b>2,282</b>	<b>1,576</b>
<b>CURRENT LIABILITIES</b>		
TRADE PAYABLES	923	943
CURRENT TAX PAYABLE	72	87
BANK LOANS	110	707
	<b>1,105</b>	<b>1,737</b>
<b>TOTAL LIABILITIES</b>	<b>3,387</b>	<b>3,313</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,897</b>	<b>10,014</b>



## Guarantors' Statement of Cash Flows

### Historical Performance

#### P & C Limited

STATEMENT OF CASH FLOWS	31/7/2015 AUDITED	31/7/2016 AUDITED	31/7/2017 AUDITED
	€	€	€
CASH FLOWS FROM OPERATIONS	36,044	5,928	48,523
INTEREST PAID	(14,198)	(9,767)	(6,886)
TAXATION PAID	(16,390)	(2,296)	(15,311)
<b>NET CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>5,456</b>	<b>(6,135)</b>	<b>26,326</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
ACQUISITION OF INVESTMENT PROPERTY	(146,849)	(117,304)	(258,723)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(146,849)</b>	<b>(117,304)</b>	<b>(258,723)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
MOVEMENT IN SHAREHOLDERS' LOAN	(8,771)	18,812	70,195
MOVEMENT IN BANK LOAN	139,055	95,873	154,574
<b>NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>130,284</b>	<b>114,685</b>	<b>224,769</b>
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>(11,109)</b>	<b>(8,754)</b>	<b>(7,628)</b>
<b>CASH AND CASH EQUIVALENTS AT START OF YEAR</b>	<b>24,146</b>	<b>13,037</b>	<b>4,283</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>13,037</b>	<b>4,283</b>	<b>(3,345)</b>

#### International Fender Providers Limited

STATEMENT OF CASH FLOWS	2015 AUDITED	2016 AUDITED	2017 AUDITED
	€	€	€
CASH FLOWS FROM OPERATIONS	491,718	(128,134)	1,073,250
INTEREST PAID	-	-	(90,904)
TAXATION PAID	-	-	(223,818)
<b>NET CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>491,718</b>	<b>(128,134)</b>	<b>758,528</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	(466,070)	(226,407)	(59,237)
PURCHASE OF INVESTMENT	(1,000)	-	-
ACQUISITION AND DISPOSALS OF FINANCIAL ASSETS	-	(2,071,621)	(335,806)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(467,070)</b>	<b>(2,298,028)</b>	<b>(395,043)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
ISSUE OF SHARE CAPITAL	16,000	-	-
<b>NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>16,000</b>	<b>-</b>	<b>-</b>
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>40,648</b>	<b>(2,426,162)</b>	<b>363,485</b>
<b>LESS: UNREALISED DIFFERENCE ON EXCHANGE</b>	<b>(11,746)</b>		
<b>CASH AND CASH EQUIVALENTS AT START OF YEAR</b>	<b>-</b>	<b>28,902</b>	<b>(2,397,260)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>28,902</b>	<b>(2,397,260)</b>	<b>(2,033,775)</b>

IFP International Fender Providers Limited

STATEMENT OF CASH FLOWS	2016 AUDITED	2017 AUDITED
	€	€
CASH FLOWS FROM OPERATIONS	409,470	221,170
TAXATION PAID	(56,168)	-
<b>NET CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>353,302</b>	<b>221,170</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	-	(170,193)
PURCHASE OF FENDER EQUIPMENT	(335,592)	-
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(335,592)</b>	<b>(170,193)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
ISSUE OF SHARE CAPITAL	1,000	-
UNREALISED EXCHANGE GAIN / (LOSS)	61	(1,201)
INTEREST PAID	(82)	-
<b>NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>979</b>	<b>(1,201)</b>
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>18,689</b>	<b>49,776</b>
CASH AND CASH EQUIVALENTS AT START OF YEAR	-	18,689
CASH AND CASH EQUIVALENTS AT END OF YEAR	<b>18,689</b>	<b>68,465</b>

Combined Projected Performance of the Guarantors

PROJECTED STATEMENT OF CASH FLOWS	2018F	2019P
	€000s	€000s
CASH FLOWS FROM OPERATIONS	561	647
TAXATION PAID	-	(72)
INTEREST PAID	(96)	(80)
<b>NET CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>465</b>	<b>495</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
MOVEMENT IN BANK LOANS	(67)	(110)
<b>NET CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>(67)</b>	<b>(110)</b>
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>398</b>	<b>385</b>
CASH AND CASH EQUIVALENTS AT START OF YEAR	(1,941)	(1,543)
CASH AND CASH EQUIVALENTS AT END OF YEAR	<b>(1,543)</b>	<b>(1,158)</b>

## 2.6 Endo Tankers Sub-Group Financial Forecast

<b>PROJECTED STATEMENT OF COMPREHENSIVE INCOME</b>	<b>2018F</b>	<b>2019P</b>
	<b>€000s</b>	<b>€000s</b>
REVENUE	899	7,635
COST OF SALES	(547)	(3,294)
<b>GROSS PROFIT</b>	<b>352</b>	<b>4,341</b>
ADMINISTRATIVE EXPENSES	(298)	(474)
<b>EBITDA</b>	<b>54</b>	<b>3,867</b>
DEPRECIATION	(166)	(1,248)
<b>EBIT</b>	<b>(112)</b>	<b>2,619</b>
FINANCE COSTS	(51)	(608)
<b>PROFIT BEFORE TAX</b>	<b>(163)</b>	<b>2,011</b>
TAXATION	-	(67)
<b>LOSS / (PROFIT) AFTER TAX</b>	<b>(163)</b>	<b>1,944</b>
<b>RATIO ANALYSIS</b>	<b>2018F</b>	<b>2019P</b>
<b>EBITDA MARGIN (EBITDA / REVENUE)</b>	6.0%	50.6%
<b>OPERATING (EBIT) MARGIN (EBIT / REVENUE)</b>	n/a	34.3%
<b>NET MARGIN (PROFIT FOR THE YEAR / REVENUE)</b>	n/a	25.5%
<b>PROJECTED STATEMENT OF FINANCIAL POSITION</b>	<b>2018F</b>	<b>2019P</b>
	<b>€000s</b>	<b>€000s</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
INTANGIBLE ASSETS	356	316
PROPERTY, PLANT AND EQUIPMENT	1,821	13,513
	<b>2,177</b>	<b>13,829</b>
<b>CURRENT ASSETS</b>		
TRADE AND OTHER RECEIVABLES	-	740
CASH AND CASH EQUIVALENTS	13,282	2,902
	<b>13,282</b>	<b>3,642</b>
<b>TOTAL ASSETS</b>	<b>15,459</b>	<b>17,471</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
SHARE CAPITAL	2,050	2,050
RETAINED EARNINGS	(118)	1,826
<b>TOTAL EQUITY</b>	<b>1,932</b>	<b>3,876</b>
<b>NON-CURRENT LIABILITIES</b>		
LOANS DUE TO RELATED PARTY	13,500	13,500
<b>CURRENT LIABILITIES</b>		
TRADE PAYABLES	27	28
CURRENT TAX PAYABLE	-	67
	<b>27</b>	<b>95</b>
<b>TOTAL LIABILITIES</b>	<b>13,527</b>	<b>13,595</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,459</b>	<b>17,471</b>

PROJECTED STATEMENT OF CASH FLOWS	2018F	2019P
	€000s	€000s
CASH FLOWS FROM OPERATIONS	82	3,127
TAXATION PAID	(6)	-
INTEREST PAID	(51)	(607)
<b>NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES</b>	<b>25</b>	<b>2,520</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
ACQUISITION OF VESSELS	-	(12,900)
BOND ISSUE COST	(395)	-
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(395)</b>	<b>(12,900)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM EQUITY	250	-
LOAN RECEIVED FROM RELATED PARTY	13,500	-
AMOUNTS DUE TO RELATED PARTIES	(90)	-
<b>NET CASH FLOWS GENERATED FROM FINANCING ACTIVITIES</b>	<b>13,660</b>	<b>-</b>
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>13,290</b>	<b>(10,380)</b>
<b>CASH AND CASH EQUIVALENTS AT START OF YEAR</b>	<b>(8)</b>	<b>13,282</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>13,282</b>	<b>2,902</b>

## 2.7 Endo Group Financial Forecast

PROJECTED STATEMENT OF COMPREHENSIVE INCOME	2018F	2019P
	€000s	€000s
REVENUE	2,855	9,631
COST OF SALES	(1,700)	(4,471)
<b>GROSS PROFIT</b>	<b>1,155</b>	<b>5,160</b>
ADMINISTRATIVE EXPENSES	(511)	(692)
<b>EBITDA</b>	<b>644</b>	<b>4,468</b>
DEPRECIATION	(429)	(1,491)
<b>EBIT</b>	<b>215</b>	<b>2,977</b>
FINANCE COSTS	(146)	(688)
<b>PROFIT BEFORE TAX</b>	<b>69</b>	<b>2,289</b>
TAXATION	(72)	(155)
<b>LOSS / (PROFIT) AFTER TAX</b>	<b>(3)</b>	<b>2,134</b>

The revenue of the Endo Group for the projected year 2018 mainly consists of revenue generated by IFP Malta (48.6%), IFP Cyprus (13.9%) and Intership Management Ltd (21.8%). The revenue of the latter is generated from the ship management services it provides to a company within Palm Group which leases the Mumtaz vessel. Endo One is estimated to contribute €277,000 to the revenue for 2018 and this is projected to remain constant over the life of the Mumtaz vessel. Revenue in 2019 is projected to increase by 237.3%, mainly due to the addition of the forecasted revenue from the lease of Vessel 2 and Vessel 3, which will be financed through the bond issue, and owned by Endo Two and Endo Three respectively. In fact, 235.4% increase in revenue in 2019, is attributed to Endo Two and Endo Three, where the former represents 44.7%, and the latter represents 25.1% of the total revenue for 2019.

Revenue is projected on two assumptions being the time charter rates and the utilisation rates. The utilisation rates for projected years 2018 and 2019 is estimated to be of 88% for all 3 vessels, and this is based on industry practices. The vessels are chartered on an annual basis with a stipulated 90-day notice period prior to the termination of the time charter agreement. During this period, the Endo Tankers Sub-Group will start negotiations with alternative charterers, in the event the charterer decides to discontinue the charter for the following year. The utilisation rate of 88% is reflective of a prudent 45-day time lapse which allows for negotiations between charterers as per management anticipations.

The time charter rate of the Mumtaz vessel is fixed, due to the vessel being chartered on a bareboat charter agreement with a related company within the Palm Group. The time charter rates for the other vessels are based on the average charter rates over the historical period 2008 to 2017 witnessed by management from industry sources.

The Endo Group EBITDA margin stands at 22.6% in 2018 and this is projected to increase to 46.4% for 2019, as the contribution from the two vessels is recognised. As the Endo Group is forecasting a loss for 2018 the net margin cannot be calculated, however this is estimated to improve to 22.2% in 2019.

Direct costs primarily consist of crewing and training expenses, equipment costs, lubricating oil costs, repairs and maintenance as well as other general expenses comprising travel expenses of superintendents, vessel communication, IT costs and flag registration. Direct costs also include the ship management fees charged by the external ship management company which will be managing Vessel 2 for the first two years of operation. The reason for employing an external ship management company is for the benefit of the management of the Endo Group, so as to gain more experience in operating these types of tankers.

Direct costs of Vessel 2 have been projected based on estimates provided by the ship management company which will be managing the vessel for the first two years. Moreover, all expenses are projected to increase in line with the inflation which is projected at 2.1% per annum. Direct costs of IFP Malta and IFP Cyprus mainly consist of vessels fender expenses, which include: purchases of ancillary equipment required for the ship-to-ship operations, as well as freight costs.

It is estimated that from the third year onwards, Intership Management Ltd will conduct all ship management operations of all three vessels held by the Endo Group, thus lowering marginally the overall cost to the Endo Group.

Administrative expenses mainly consists of salaries, insurances, licences and permits, rent and storage fees, accountancy, and audit fees. The increase in the projected administrative expenses for 2019 of 35.4% over 2018, is contributed mainly to an increase in salaries which represents 13.3% and the additional expense in relation to brokerage fees which represent 21.1% out of the 24.9% increase.

Depreciation is calculated on a straight-line method to allocate the cost of the assets to their residual values over their estimated useful life. The depreciation rates are: Property, plant and equipment – 10%; Fenders – 10%, Hoses – 25%, and Other Equipment – 10%.

Finance costs consist of the projected interest cost which the Issuer will pay to bond holders, where the coupon rate is set at 4.5% in addition to other bank loans facilities within the Endo Group which as at 31 December stood at €726,641, and an overdraft facility of €2,034,170.

PROJECTED STATEMENT OF FINANCIAL POSITION	2018F	2019P
	€000s	€000s
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
INTANGIBLE ASSETS	356	316
INVESTMENT PROPERTY	1,800	-
PROPERTY, PLANT AND EQUIPMENT	8,063	14,112
RELATED PARTY LOANS	2,410	2,410
	<b>12,629</b>	<b>16,838</b>
<b>CURRENT ASSETS</b>		
NON-CURRENT ASSETS HELD FOR SALE	-	7,200
TRADE AND OTHER RECEIVABLES	988	1,702
CASH AND CASH EQUIVALENTS	11,740	1,744
	<b>12,728</b>	<b>10,646</b>
<b>TOTAL ASSETS</b>	<b>25,357</b>	<b>27,484</b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
SHARE CAPITAL	2,068	2,068
RETAINED EARNINGS	1,385	3,519
REVALUATION RESERVE	4,990	4,990
<b>TOTAL EQUITY</b>	<b>8,443</b>	<b>10,577</b>
<b>NON-CURRENT LIABILITIES</b>		
DEBT SECURITIES IN ISSUE	13,500	13,500
LONG TERM LOANS	880	880
BANK LOANS	720	13
DEFERRED TAX	682	682
	<b>15,782</b>	<b>15,075</b>
<b>CURRENT LIABILITIES</b>		
TRADE PAYABLES	950	970
CURRENT TAX PAYABLE	72	155
BANK LOANS	110	707
	<b>1,132</b>	<b>1,832</b>
<b>TOTAL LIABILITIES</b>	<b>16,914</b>	<b>16,907</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>25,357</b>	<b>27,484</b>

The Endo Group's non-current assets mainly consist of property, plant and equipment, which will increase by €6.0 million in 2019. This increase represents the acquisition of Vessel 2 and Vessel 3 and the reclassification of the investment property owned by P & C Ltd to "non-current assets held for sale". Related party loans are loans granted to related companies within Palm Group.

Current assets for 2018 mainly consists of cash in hand, which will be acquired through the bond issue. Such cash reserves will be depleted in 2019 on acquisition of the vessels as intimated above.

Endo's Group outstanding shares will increase to €2,068,000 from €1,200 due to the capitalisation of a €1.8 million loan that was payable by one of Endo Group's subsidiary, as discussed in detail in section 1.3 of this Analysis. The revaluation reserve of €5.0 million is in respect of the investment property held by P & C Ltd, which will be recognised as retained earnings upon the sale of this property.

Current liabilities primarily consist of trade payables arising from the operational activity of the Endo Group. Non-current liabilities predominantly comprise of the €13.5 million bond issue, a shareholders loan of €0.9 million and €0.7 million in bank loans as described above.

Upon the acquisition of the two vessels, that is in 2019, the Endo Group's gearing (Net Debt / Total Equity) is estimated to be 126.3%. This leverage is projected to decrease year on year as retained earnings accumulate since management has elected for a no dividend distribution policy during the maturity of the bond as further described in section 7.5 of the Registration Document.

PROJECTED STATEMENT OF CASH FLOWS	2018F	2019P
	€000s	€000s
<b>CASH FLOWS FROM OPERATIONS</b>	643	3,774
TAXATION PAID	(6)	(72)
INTEREST PAID	(146)	(688)
<b>NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES</b>	491	3,014
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
ACQUISITION OF VESSELS	-	(12,900)
BOND ISSUE COST	(395)	-
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	(395)	(12,900)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM EQUITY	250	-
DEBT SECURITIES IN ISSUE	13,500	-
AMOUNTS DUE TO RELATED PARTIES	(90)	-
MOVEMENT IN BANK LOANS	(67)	(110)
<b>NET CASH FLOWS GENERATED FROM / (USED IN) FINANCING ACTIVITIES</b>	13,593	(110)
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>13,689</b>	<b>(9,996)</b>
CASH AND CASH EQUIVALENTS AT START OF YEAR	(1,949)	11,740
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>11,740</b>	<b>1,744</b>

The Endo Group is projected to have a positive cash flow from operating activities, experiencing a 513.8% increase in 2019 when compared to 2018. Cash from investing activities are negative principally due to the acquisition of the vessels that is projected to occur in 2019. Cash flows from financing activities in 2018 are positive due to the receipts gained from the bond issue, while in 2019 cash flows from financing activities are projected to be negative, reflecting the part repayment of bank loans.



RATIO ANALYSIS	2018F	2019P
<b>PROFITABILITY</b>		
GROWTH IN REVENUE (YOY REVENUE GROWTH)	n/a	237.3%
EBITDA MARGIN (EBITDA / REVENUE)	22.6%	46.4%
OPERATING (EBIT) MARGIN (EBIT / REVENUE)	7.5%	30.9%
NET MARGIN (PROFIT FOR THE YEAR / REVENUE)	n/a	22.2%
RETURN ON COMMON EQUITY (NET INCOME / TOTAL EQUITY)	n/a	22.4%
RETURN ON ASSETS (NET INCOME / TOTAL ASSETS)	n/a	7.8%
EPS (NET INCOME / NO OF SHARES)	n/a	€1.03
<b>CASH FLOW</b>		
FREE CASH FLOW (NET CASH FROM OPERATIONS LESS CAPEX)	€491	€(9,886)
<b>FINANCIAL STRENGTH</b>		
GEARING 1 (NET DEBT / TOTAL EQUITY)	41.1%	126.3%
GEARING 2 (TOTAL LIABILITIES / TOTAL ASSETS)	66.7%	61.5%
NET DEBT / EBITDA	5.4x	3.0x
CURRENT RATIO (CURRENT ASSETS / CURRENT LIABILITIES)	11.2x	5.8x
INTEREST COVERAGE (EBITDA / CASH INTEREST PAID)	4.4x	6.5x

## Part 3 – Key Market and Competitor Data

### 3.1 General Market Conditions

As of today Malta has the largest ship registry in Europe, and the sixth largest world-wide. Notwithstanding this, only a handful of shipping companies are beneficially owned, financed, managed and commercially operated in and through Malta. The operational and commercial knowledge required to successfully manage tanker vessel fleets in Malta has increased and the directors of Endo Group, in line with trends in other countries over recent years, have identified the bond market as the adequate tool for the financing of the purchasing of vessels.

The world tanker fleet presently consists of approximately 4,800 vessels, about 2,000 crude tankers (average Deadweight tonnage (DWT) being 200,000) and 2,800 product tankers (average DWT being 57,000). The new building order book is about 9% to 10% of the existing fleet, with more crude capacity on order than product tankers. Net of scrapping, the past year has given a net fleet capacity growth of about 5%, however analysts have projected that over the next 5 to 10 years the net growth will be less, especially in the product tanker sector. This is due to increased scrapping which is coupled with more moderate order books on product tankers. Against this is a projected fleet demand of 3% to 5%. With respect to product tankers, this is partly based on general economic growth but also on longer ton-per-mile voyages as trade patterns are changing.

The tanker market is traditionally cyclical, the most recent peak years being 2006 to 2008 and prior to that, the mid-1990's. Currently, the freight market is in a down cycle (albeit experiencing a mini-spike in 2015 and 2016), with low freight rates and depressed asset prices.

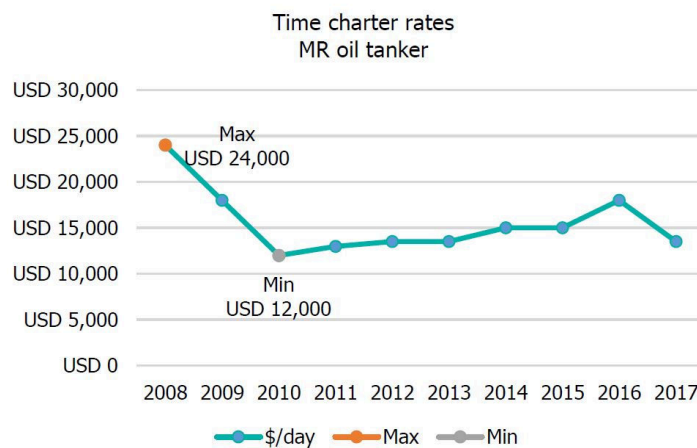
The projection for 2019 and onwards is a significant increase in tanker freight market, followed by increased asset prices. Hence, oil companies and larger trading houses are now also locking in tonnage to hedge their freight cost forward. This point in the cycle is traditionally the point at which a second-hand tonnage is purchased which becomes available as larger owners also take advantage of relatively low new-building costs to renew their fleets. These second-hand tankers have an additional

10 to 15 years of commercial trading. Additionally, “scrap-metal” prices are supporting about 50% of the asset value on a typical medium-sized 15-year-old tanker, reducing the asset price risk.

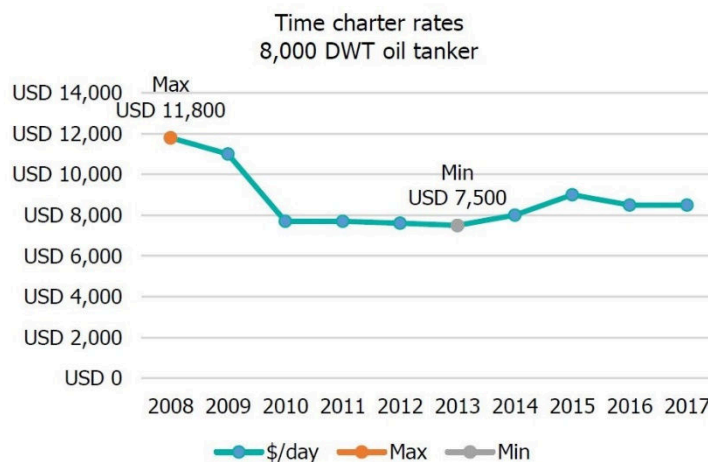
### 3.2 Time Charter Market

The time charter rate of the Mumtaz vessel is fixed, due to the vessel being chartered on a bareboat charter agreement with a related company within the Palm Group. The time charter rates for the other vessels are based on the average charter rates over the historical period 2008 to 2017 witnessed by management from industry sources, and are illustrated in the below graphs.

#### Medium Range Tanker – Vessel 2



#### Small Range Tanker – Vessel 3



Time charter rates have experienced a sharp decline following the 2009 crisis and subsequent decline in the oil price; following which they have steadily increased, albeit at a slow rate. For Vessel 2 the maximum time charter rate per day was of \$24,000, whereas the minimum was of \$12,000, at 2017 the rate stood at around \$14,000. Management’s forecasts are based upon a time charter rate per day of \$13,390.

For Vessel 3 the maximum time charter rate per day was of \$11,800, whereas the minimum was of \$7,500, at 2017 the rate stood at around \$8,500. Management’s forecasts are based upon a time charter rate per day of \$7,540.

### 3.3 Comparative Analysis

The purpose of the table below compares the proposed debt issuance of the Endo Group to other debt instruments with similar duration. One must note that given the material differences in profiles and industries, the risks associated with the Endo Group's business and that of other issuers is therefore also different.

Security	Nom Value	Last Price*	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
	€000's		(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
5.3% Mariner Finance plc Unsecured € 2024	35,000	109.64	3.38%	4.4	77.1	38.7	49.8%	83.9%	3.4	2.0	17.6%	36.2%	11.1%
6% Medserv plc Sec. & Grntd € Notes 2020-2023 S1 T1	20,000	103.00	5.29%	1.6	153.3	28.1	81.7%	267.3%	17.3	2.1	-28.0%	-26.5%	-12.3%
4.5% Grand Harbour Marina plc Unsecured € 2027	15,000	104.45	3.89%	2.0	21.1	2.9	86.3%	241.1%	4.6	3.2	1.8%	1.2%	-2.4%
4.8% Mediterranean Maritime Hub Finance plc Unsecured € 2026	15,000	102.20	4.46%	2.1	29.3	4.8	83.7%	283.0%	8.9	1.1	7.3%	2.1%	24.6%
3.75% Virtu Finance plc Unsecured € 2027	25,000	104.00	3.23%	7.7	162.0	79.5	50.9%	82.2%	4.6	0.8	23.5%	27.8%	6.1%
4.5% Medserv plc Unsecured € 2026	21,982	102.50	4.09%	1.6	153.3	28.1	81.7%	267.3%	17.3	2.1	-28.0%	-26.5%	-12.3%
4.5% Endo Finance plc Unsecured € 2029 **	13,500	100.00	4.50%	4.4	25.4	8.4	66.7%	41.1%	5.4	11.2	-0.1%	0.0%	n/a
Average ***	21,997	104.30	4.06%	3.2	99.3	30.3	72.3%	204.1%	9.4	1.9	-0.9%	2.0%	2.5%

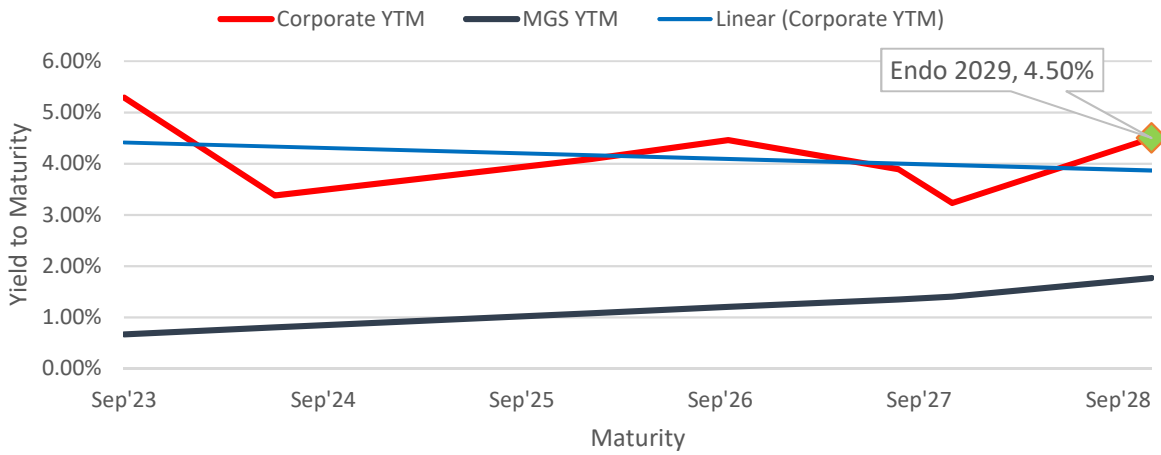
\* Last price as at 23/11/2018

Source: Audited financial statements, 2017

\*\* As Endo Group performed a restructuring exercise in preparation for the bond issue, consequently the financial analysis of the Endo Group reflect the projected consolidated figures for 2018.

\*\*\* Average figures do not capture the financial analysis of the Endo Group

### Yield Curve Analysis



Source: Malta Stock Exchange, Central Bank of Malta and Calamatta Cuschieri Estimates

As at 23 November 2018, the average spread over the Malta Government Stock (MGS) for corporates with maturity range of 7-10 years was 267 basis points. The new Endo bond is being priced with 4.5% coupon issued at par, meaning a spread of 273 basis points over the equivalent MGS, and therefore at a premium to the average on the market.

## Part 4 - Glossary and Definitions

<b>Income Statement</b>	
Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
Operating Income (EBIT)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.
Net Income	The profit made by the Group/Company during the financial year net of any income taxes incurred.
<b>Profitability Ratios</b>	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by total assets.
Earnings per Share (EPS)	Earnings per share (EPS) is the amount of earnings per outstanding share of a Group's/Company's share capital. It is computed by dividing net income by total shares outstanding as at statement of financial position date.
<b>Cash Flow Statement</b>	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.
<b>Balance Sheet</b>	
Total Assets	What the Group/Company owns which can be further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.

Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can be further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Total Debt	All debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.
Current Liabilities	Obligations which are due within one financial year.
Shares Outstanding	Outstanding shares refer to the Group/Company stock currently held by all its shareholders.
<b>Financial Strength Ratios</b>	
Current Ratio	The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.
Quick Ratio (Acid Test Ratio)	The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.
Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBITDA of one period by cash interest paid of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.
<b>Other Definitions</b>	
Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.

## ANNEX 4 – Application Form

### Endo Finance plc

€13,500,00 4.5% Unsecured Bonds 2029

### APPLICATION FORM

Application No. \_\_\_\_\_

Please read the notes overleaf before completing this Application Form. Mark 'X' if applicable. Unless otherwise indicated, each of the panels below is to be completed.

<b>APPLICANT (see notes 2 to 7)</b>			
<input type="checkbox"/> Non-Resident	<input type="checkbox"/> Minor (under 18)	<input type="checkbox"/> Corporate	<input type="checkbox"/> CIS
TITLE (Mr/Mrs/Ms/...)		FULL NAME & SURNAME / REGISTERED NAME	
ADDRESS			
		POST CODE	
MSE A/C NO. (if applicable)		I.D. CARD / PASSPORT / COMPANY REG. NO.	
E-MAIL ADDRESS		TEL NO.	MOBILE NO.
Already Registered for e-Portfolio <input type="checkbox"/>		Please register me for e-Portfolio <input type="checkbox"/>	Please do NOT register me for e-Portfolio <input type="checkbox"/>
<b>ADDITIONAL (JOINT) APPLICANTS (see note3) <span style="float: right;">(please use additional application form if space is not sufficient)</span></b>			
TITLE (Mr/Mrs/Ms/..)		FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
TITLE (Mr/Mrs/Ms/..)		FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
<b>MINOR'S PARENTS/LEGAL GUARDIANS (See Note 4) <span style="float: right;">(to be completed ONLY if the Applicant is a minor)</span></b>			
TITLE (Mr/Mrs/Ms/..)		FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
TITLE (Mr/Mrs/Ms/..)		FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
I/We apply to purchase and acquire the amount set out below (see Notes 8 and 9)			
AMOUNT IN FIGURES €		AMOUNT IN WORDS	
In respect of a €13,500,000 4.5% Unsecured Bonds 2029 issued by Endo Finance plc (minimum of €50,000 in multiples of €50,000 thereafter) at the Bond Issue Price (at par) as defined in the Prospectus dated the 6 March 2019 (the "Prospectus") in terms of the Terms and Conditions as set out in the Prospectus.			
<b>RESIDENT - WITHHOLDING TAX DECLARATION (see note 9 &amp; 10) <span style="float: right;">(to be completed ONLY if the Applicant is a Resident of Malta)</span></b>			
<input type="checkbox"/> I/We elect to have Final Withholding Tax deducted from my/our interest.			
<input type="checkbox"/> I/We elect to receive interest GROSS (i.e. without deduction of withholding tax).			
<b>NON-RESIDENT DECLARATION FOR TAX PURPOSES (see Note 12) <span style="float: right;">(to be completed ONLY if the Applicant is a Non-Resident)</span></b>			
TAX COUNTRY		TOWN OF BIRTH	
T.I.N. (Tax Identification Number)		COUNTRY OF BIRTH	
PASSPORT/NATIONAL I.D. CARD NUMBER		ISSUE DATE	
<input type="checkbox"/> I/We am/are NOT Resident in Malta but I/we am/are Resident in the European Union.			
<input type="checkbox"/> I/We am/are NOT Resident in Malta and I/we am/are NOT Resident in the European Union.			
<b>INTEREST, REFUND AND REDEMPTION MANDATE (see Note 11) <span style="float: right;">(completion of this panel is mandatory)</span></b>			
BANK		IBAN	
I/We have fully understood the instructions for completing this Application Form, and am/are making this Application on the basis of the Prospectus, and subject to its Terms and Conditions (as defined therein) which have been explained to me/us, and which I/we fully accept.			
Signature/s of Applicant/s (All parties are to sign in the case of a joint Application)		Financial Intermediary	Date
FINANCIAL INTERMEDIARY'S STAMP		FINANCIAL INTERMEDIARY'S CODE	



## Notes on how to complete this Application Form and other information

1. The following is to be read in conjunction with the Prospectus dated 06 March 2019 regulating the Bond Issue. In particular this Application is governed by the Terms and Conditions of Application contained in Section 8.2 of the Securities Note dated 06 March 2019 forming part of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Prospectus.
2. The Application Form is to be completed in BLOCK LETTERS.
3. Applicants are to insert full personal details in Panel B. In the case of an application by more than one person (including husband and wife) full details of all individuals – including I.D. Card Numbers – must be given in Panels B and C but the person whose name appears in Panel B shall, for all intents and purposes, be deemed to be the registered holder of the Bonds (vide note 7 below).

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

4. Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or by the legal guardian/s and accompanied by a Public Registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted. The relative box in Panel A must also be marked appropriately. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption proceeds payable to the parents or legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption proceeds shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.
5. Applicants who are Non-Resident in Malta for tax purposes must indicate their passport number in Panel B and complete Panel G. The relative box in Panel A must also be marked appropriately.
6. In the case of a body corporate, the name of the entity exactly as registered, and the registration number are to be inserted in Panel B. Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.
7. APPLICANTS WHO ALREADY HOLD SECURITIES ON THE MSE ARE TO INDICATE THEIR MSE ACCOUNT NUMBER IN PANEL B. APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED IN THE MSE ACCOUNT NUMBER QUOTED ON THE APPLICATION FORM. IF DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE MSE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF, A SEPARATE REQUEST BY THE APPLICANT TO CHANGE THESE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.
8. Application must be for a minimum of €50,000 and thereafter in multiples of €50,000. The Applicant must ensure that the relative Application Form is accompanied by payment of the full price of the amount of Bonds applied for. Payment of the amount, must be made in Euro in cleared funds to "The Registrar – Endo Finance plc". In the event that the cheque accompanying the Application Form is not honored on the first presentation the Issuer and the Registrar reserve the right to invalidate the relative Application.
9. Only Applicants who hold an official Maltese Identity Card or companies registered in Malta will be treated as resident in Malta. In such a case the Applicant may elect to have Final Withholding Tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of Final Withholding Tax), but he/she will be obliged to declare interest so received on his/her tax return. Authorised entities applying in the name of a Prescribed Fund (having indicated their status in the appropriate box in Panel A) will have Final Withholding Tax, currently 10%, deducted from interest payments.
10. In terms of Section 7 of the Securities note within the Prospectus, unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of 'recipient' in terms of article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), Interest shall be paid to such a person net of final withholding tax (currently 15%) of the gross amount of interest, pursuant to Article 33 of the Tax Act (Cap. 123 of the Laws of Malta).
11. If any Application is not accepted, after the closure of the subscription lists or is accepted for fewer Bonds than those applied for, the monies of the balance of the amount paid but not allocated, as the case may be, will be returned by direct credit into the bank account as indicated in the Application Form. Interest or redemption proceeds will be credited to the account designated or as otherwise amended by the Bondholder/s during the term of the Bond.
12. Interest received by non-resident Applicants is not taxable in Malta and non-residents will receive interest gross. Non-residents of Malta should note that payment of interest to individuals and certain residual entities residing in another EU Member State is reported on an annual basis to the Director General Inland Revenue, Malta, who will in turn exchange the information with the competent tax authority of the Member State where the recipient of interest is resident. This exchange of information takes place in terms of the Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.  
The contents of Notes 9, 10 and 12 above do not constitute tax advice by the Issuer and Applicants are to consult their own independent tax advisors in case of doubt.
13. The Offer Period will open on the 15 March 2019 and will close on the 21 March 2019. Completed Application Forms are to be delivered to the offices of any of the Authorised Financial Intermediaries listed in Annex 2 of the Securities Note by not later than 12:00 of 21 March 2019. Authorised Financial Intermediaries are to submit completed Application Forms representing the total amount committed in terms of the respective Placement Agreement as mentioned in Section 8.4 of the Securities Note by latest 12:00 on 21 March 2019. The Issuer reserves the right to refuse any Application which appears to be in breach of the Terms and Conditions of Application as contained in the Prospectus.

14. By completing and delivering an Application Form you (as the Applicant(s)):

- a. acknowledge that the Issuer or its duly appointed agents including the CSD and the Registrar, or the Authorised Financial Intermediary through whom the Application Form is delivered may process the personal data that you provide in the Application Form in accordance with the Data Protection Act (Cap. 440 of the Laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;
- b. acknowledge that the Issuer or its duly appointed agents including the CSD and the Registrar, or the Authorised Financial Intermediary (as applicable) may process such personal data for all purposes necessary for and related to the Bonds applied for; and
- c. acknowledge that you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by them. Any such requests must be made in writing and addressed to the Issuer, its agents, the CSD, the Registrar or the Authorised Financial Intermediary (as applicable) at their respective address as mentioned in the Prospectus. The request must be signed by yourself as the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds on offer will be repayable in full upon redemption. An investor should consult an independent financial advisor, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.