

# REGISTRATION DOCUMENT

Dated 8<sup>th</sup> April 2019

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013, Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 and Commission Delegated Regulation (EU) No. 301/2016 of 30 November 2015. This Registration Document is issued pursuant to the requirements of Listing Rule 4.13 of the Listing Rules and contains information about SP Finance p.l.c.

In respect of an issue of

**€12 million 4% Secured Bonds 2029**

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



**SP FINANCE**

SP FINANCE P.L.C. a public limited liability company registered in Malta with company registration number C 89462

**with the joint and several Guarantee\* of Sea Pebbles Limited (C 6138)**

**ISIN: MT0002181205**

\*Prospective investors are to refer to the Guarantee contained in Annex A of the Securities Note forming part of the Prospectus and sub-section 2.5 of this Registration Document for a description of the Guarantee and the Security. Reference should also be made to the sections entitled "Risk Factors" contained in this Registration Document and the Securities Note for a discussion of certain risk factors which should be considered by prospective investors in connection with the Bonds and the Guarantee provided by the Guarantor.

Legal Counsel



Sponsor, Manager & Registrar



Security Trustee

alterDomus\*

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 INSTRUMENT. 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.

Josephine Casha

Josephine Casha

on behalf of Josephine Casha, Alex Perici-Calascione,  
Mark Grech and Reuben Debono

## Contents

<b>1. Definitions</b>	<b>4</b>
<b>2. Risk Factors</b>	<b>8</b>
2.1 Forward-looking statements	8
2.2 General	9
2.3 Risks relating to the Issuer	9
2.4 Risks relating to the Sea Pebbles Group (including the Guarantor) and its business	10
2.5 Risks relating to the Guarantee and the Collateral	15
<b>3. Persons Responsible</b>	<b>15</b>
<b>4. Identity of directors, advisors, Security Trustee and auditors</b>	<b>15</b>
4.1 Directors and company secretary of the Issuer	15
4.2 Directors of the Guarantor	17
4.3 Senior management	17
4.4 Advisors to the Issuer and Guarantor	18
4.5 Security Trustee	18
4.6 Auditors	18
<b>5. Information about the Issuer, the Guarantor and the Sea Pebbles Group</b>	<b>19</b>
5.1 The Issuer	19
5.2 The Guarantor	20
5.3 Historical development of the Sea Pebbles Group and overview of the Group's business	21
5.3.1 San Pawl Hotel	21
5.3.2 Pebbles St Julians Hotel	22
5.4 Organisational structure	22
5.5 Collateral granted in favour of the Security Trustee	23
<b>6. Trend information and financial performance</b>	<b>24</b>
6.1 Trend information of the Issuer	24
6.2 Trend information of the Group	24
6.3 Key financial review	25
6.3.1 Historical financial information of the Guarantor	25
<b>7. Administrative, management and supervisory bodies</b>	<b>28</b>
7.1 The Issuer	28
7.2 The Guarantor	30
7.3 Conflict of interest	30
7.4 Working capital	31
<b>8. Major shareholders and related party transactions</b>	<b>31</b>
8.1 Major shareholders of the Issuer	31
8.2 Major shareholders of the Guarantor	32
8.3 Related party transactions	32
8.4 Commissions	32
<b>9. Corporate Governance</b>	<b>32</b>
9.1 The Issuer	32
9.2 The Guarantor	33
<b>10. Audit Committee of the Issuer</b>	<b>33</b>
<b>11. Historical financial information</b>	<b>34</b>
<b>12. Litigation and arbitration proceedings</b>	<b>35</b>
<b>13. Material contracts</b>	<b>35</b>
<b>14. Additional information</b>	<b>35</b>
14.1 Share capital of the Issuer	35
14.2 Memorandum and Articles of Association of the Issuer	35
14.3 Share capital of the Guarantor	36
14.4 Memorandum and Articles of Association of the Guarantor	36
<b>15. Property valuation report</b>	<b>37</b>
<b>16. Third party information, statements by experts and declarations of any interest</b>	<b>37</b>
<b>17. Documents available for inspection</b>	<b>37</b>

## IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON SP FINANCE P.L.C. (IN ITS CAPACITY AS ISSUER) AND SEA PEBBLES LIMITED (IN ITS CAPACITY AS GUARANTOR) IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CHAPTER 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS (AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013, COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014 AND COMMISSION DELEGATED REGULATION (EU) NO. 301/2016 OF 30 NOVEMBER 2015).

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE COMPANY, THE GUARANTOR OR THEIR RESPECTIVE DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SECURITIES OF THE COMPANY OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT 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 COMPANY, THE GUARANTOR 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 OR THE GUARANTOR 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 PERSON IN POSSESSION OF THE PROSPECTUS AND ANY PERSONS WISHING TO ACQUIRE 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 OF THE COMPANY ADMITTED TO TRADING ON THE MSE SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF SO APPLYING FOR ANY SUCH SECURITIES AND OF ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES

## SP Finance plc – Registration Document

NOTE ON THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

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

A COPY OF THIS DOCUMENT 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 REGISTRATION DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

ALL THE ADVISORS TO THE COMPANY AND THE GUARANTOR NAMED IN THIS REGISTRATION DOCUMENT UNDER THE HEADING “IDENTITY OF DIRECTORS, ADVISORS, SECURITY TRUSTEE AND AUDITORS” IN SECTION 4 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE COMPANY AND THE GUARANTOR 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 CONTENTS OF THE ISSUER’S OR GUARANTOR’S WEBSITES OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER’S OR GUARANTOR’S WEBSITES DO NOT FORM PART OF THIS 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 VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. 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.

## SP Finance plc – Registration Document

### 1. Definitions

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

<b>Act or Companies Act</b>	the Companies Act (Chapter 386 of the laws of Malta);
<b>Apartments</b>	collectively, (i) the apartment without official number, internally numbered 1701, on the 7 <sup>th</sup> floor, and (ii) the penthouse apartment without official number, internally numbered 1801, on the 8 <sup>th</sup> floor and its overlying airspace, both forming part of a block officially marked number 90, The Strand, Sliema, Malta, also accessible from another entrance officially marked number 11, Saint Agatha Street, Sliema, Malta, as better described in the property valuation report annexed to the Securities Note and marked as Annex B;
<b>Authorised Intermediary or Intermediaries</b>	all the licensed stockbrokers and financial intermediaries listed in Annex F of the Securities Note forming part of the Prospectus;
<b>Bond/s</b>	a maximum of €12,000,000 secured bonds due in 2029 of a nominal value of €100 per bond issued at par by the Issuer and redeemable on the Redemption Date at their nominal value, bearing interest at the rate of 4% per annum. The Bonds are guaranteed by the Guarantor;
<b>Bond Issue</b>	the issue of the Bonds;
<b>Bond Obligations</b>	the punctual performance by the Company of all its obligations under the Bonds upon issuance including the repayment of principal and payment of interest thereon;
<b>Bondholder/s</b>	a holder of Bonds to be issued by the Issuer in terms of the Prospectus;
<b>Collateral</b>	the following security rights granted by the Guarantor in favour of the Security Trustee for the benefit of Bondholders: <ul style="list-style-type: none"><li>- a first ranking special hypothec over the Security Property in favour of the Security Trustee in its capacity as trustee of the SP Finance Bond 2029 Trust pursuant to the terms of the Security Trust Deed and the Deed of Hypothec. The Guarantor owns the Security Property; and</li><li>- a pledge over the proceeds from the Insurance Policy in favour of the Security Trustee in its capacity as trustee of the Sea Pebbles Security Trust pursuant to the terms of the Security Trust Deed;</li></ul>
<b>Company or Issuer</b>	SP Finance p.l.c., a public limited liability company registered under the laws of Malta bearing company registration number C 89462 and having its registered office at 89, The Strand, Sliema, Malta;
<b>Deed of Hypothec</b>	a deed to be entered into by and between the Security Trustee, the Issuer and the Guarantor in the acts of Notary Dr Luke Caruana whereby the Guarantor constitutes in favour of the Security Trustee that part of the Collateral over the Security Property which according to law requires the execution of a notarial deed;
<b>Directors or Board</b>	the directors of the Company whose names are set out in sub-section 4.1 of this Registration Document;
<b>EBITDA</b>	earnings before interest, tax, depreciation and amortisation;
<b>Euro or €</b>	the lawful currency of the Republic of Malta;

## SP Finance plc – Registration Document

<b>Guarantee</b>	the joint and several guarantee dated 8 <sup>th</sup> April 2019 granted by the Guarantor as security for the punctual performance of the Issuer's Bond 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 the Securities Note forming part of the Prospectus as Annex A;
<b>Guarantor</b>	Sea Pebbles Limited, a private limited liability company registered in Malta with company number C 6138 and having its registered office at 89, The Strand, Sliema, Malta;
<b>Guesthouse</b>	the property situated at number ten (10), Saint Agatha Street, Sliema, Malta, including its airspace and subsoil, as better described in the property valuation report annexed to the Securities Note and marked as Annex C;
<b>Insurance Policy</b>	the insurance policy providing for the full replacement value of the Security Property;
<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 8 <sup>th</sup> April 2019 by and between SP Investments Limited (as lender), the Guarantor (as borrower) pursuant to and in accordance with the terms and conditions of which part of the proceeds from the Bond Issue amounting to €3,750,000 shall be advanced by title of loan from SP Investments Limited to the Guarantor;
<b>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>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>Memorandum and Articles of Association or M&amp;A</b>	the memorandum and articles of association of the Company in force at the time of publication of the Prospectus;
<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>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>Pebbles Resort Limited</b>	Pebbles Resort Limited, a private limited liability company registered and existing under the laws of Malta with company registration number C 89613 and having its registered office situated at 89, The Strand, Sliema, Malta;
<b>Pebbles St Julians Hotel</b>	the Pebbles St Julians hotel described in sub-section 5.3 of this Registration Document;

## SP Finance plc – Registration Document

<b>Pebbles St Julians Limited</b>	Pebbles St Julians Limited, a private limited liability company registered and existing under the laws of Malta with company registration number C 89612 and having its registered office situated at 89, The Strand, Sliema, Malta;
<b>Primary Beneficiaries</b>	the Bondholders from time to time;
<b>Projects</b>	the refurbishment of the San Pawl Hotel and the development of the Pebbles St Julians Hotel, each as described in further detail in sub-section 5.3 of this Registration Document;
<b>Prospectus</b>	collectively, the Summary Note, this Registration Document and the Securities Note, all dated 8 <sup>th</sup> April 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>	3 <sup>rd</sup> May 2029;
<b>Registration Document</b>	this registration document in its entirety issued by the Issuer dated 8 <sup>th</sup> April 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>San Pawl Hotel</b>	the San Pawl hotel described in sub-section 5.3 of this Registration Document;
<b>Sea Pebbles Group or Group</b>	the Issuer and its wholly-owned subsidiary companies, which, as at the date of the Prospectus, consist of the Guarantor, SP Investments Limited, Pebbles Resort Limited and Pebbles St Julians Limited, principally involved in the hotels and hospitality industry in Malta;
<b>SP Finance Bond 2029 Trust</b>	the trust established in virtue of the Security Trust Deed;

## SP Finance plc – Registration Document

<b>Security Property</b>	(i) the immovable property situated at No. 88/89, The Strand, Sliema, Malta, from and including the first (1 <sup>st</sup> ) floor to the eighth (8 <sup>th</sup> ) floor, being the current uppermost floor, accessible from a common staircase from the ground floor, and the overlying roof and airspace, and (ii) the immovable property situated at No. 90, The Strand, Sliema, Malta, from and including the first (1 <sup>st</sup> ) floor up to the sixth (6 <sup>th</sup> ) floor, and a class 4B salon situated at the rear of the ground floor, forming part of a block which is accessible from an unnumbered door on Belvedere Terrace, Sliema, and which block also overlies property numbered ninety (90) in The Strand, Sliema, on which street the said block has another façade, as better described in the property valuation report annexed to the Securities Note and marked as Annex D and the parameters of which are shown on the Land Registry site plans attached to a deed of acquisition of property in the records of Notary Anthony Grech Trapani dated the eighteenth (18 <sup>th</sup> ) day of August of the year 1993 and a deed of acquisition of property in the records of Notary Peter Fleri-Soler dated the twenty-seventh (27 <sup>th</sup> ) day of October of the year 1999, respectively;
<b>Security Trust Deed or Trust Deed</b>	the security trust deed to be dated on 8 <sup>th</sup> April 2019 and entered into by and between the Security Trustee, the Issuer and the Guarantor, in virtue of which the Security Trustee is appointed to hold and administer the Collateral for the benefit of Bondholders;
<b>Security Trustee or Trustee</b>	Alter Domus Trustee Services (Malta) Limited, a private limited liability company duly registered and validly existing under the laws of Malta, with company registration number C 63887 and having its registered office at Vision Exchange Building, Territorials Street, Mriehel, Birkirkara BKR 3000, 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 SP Finance Bond 2029 Trust pursuant to the terms of the Trust Deed;
<b>Securities Note</b>	the securities note issued by the Company dated 8 <sup>th</sup> April 2019, forming part of the Prospectus;
<b>SP Investments Limited</b>	SP Investments Limited, a private limited liability company registered and existing under the laws of Malta with company registration number C 89468 and having its registered office situated at 89, The Strand, Sliema, Malta;
<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 Company dated 8 <sup>th</sup> April 2019, forming part of the Prospectus;
<b>Target Properties</b>	the Apartments and the Guesthouse which shall be acquired by the Group pursuant to the Bond Issue from Bond Issue proceeds in accordance with sub-section 5.1 of the Securities Note.



## SP Finance plc – Registration Document

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; and
- 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 Registration Document.

## 2. Risk Factors

**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 MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE COMPANY AND THE BONDS.**

**SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND NEITHER THE COMPANY NOR THE GUARANTOR ARE 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.**

**IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE COMPANY’S AND/OR GUARANTOR’S FINANCIAL RESULTS AND TRADING PROSPECTS AND THE ABILITY OF THE COMPANY AND/OR GUARANTOR TO FULFIL THEIR RESPECTIVE OBLIGATIONS UNDER THE SECURITIES ISSUED BY THE COMPANY FROM TIME TO TIME. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS OF THE COMPANY AND THE GUARANTOR AS AT THE DATE OF THE PROSPECTUS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE COMPANY AND THE GUARANTOR FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE COMPANY’S AND/OR GUARANTOR’S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE COMPANY AND/OR GUARANTOR.**

**NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE COMPANY (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE COMPANY, THE GUARANTOR, THE SECURITY TRUSTEE, THE SPONSOR, MANAGER & REGISTRAR OR AUTHORISED INTERMEDIARIES THAT ANY RECIPIENT OF THE PROSPECTUS, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE COMPANY. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS OF THIS DOCUMENT.**

### 2.1 Forward-looking statements

**The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Company’s and/or Guarantor’s strategies and plans relating to the attainment of their respective objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as “may”, “will”, “expect”, “intend”, “plan”,**

“estimate”, “anticipate”, “believe” or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer’s and/or Guarantor’s control. Important factors that could cause actual results to differ materially from the expectations of the Company’s and/or Guarantor’s directors include those risks identified under the heading “*Risk Factors*” and elsewhere in the Prospectus.

If any of the risks described were to materialise, they could have a serious effect on the Company’s and/or Guarantor’s financial results, trading prospects and the ability of the Company to fulfill its obligations under the securities to be issued in terms of the Prospectus and of the Guarantor to honour its obligations under the Guarantee.

Accordingly, the Company and Guarantor caution prospective investors that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by such statements, that such statements do not bind the Issuer and/or Guarantor with respect to future results and no assurance is given that the future results or expectations will be achieved.

Prospective investors are advised to read the Prospectus in its entirety and, in particular, the sections entitled “*Risk Factors*” for a further discussion of the factors that could affect the Issuer’s and Guarantor’s future performance. In the light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in the Prospectus may not occur. All forward-looking statements contained in the Prospectus are made only as at the date hereof. The Issuer, Guarantor and their respective directors expressly disclaim any obligations to update or revise any forward-looking statements contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds will be repayable in full upon maturity, unless the Bonds are previously re-purchased and cancelled. An investment in the Bonds involves certain risks, including those described below.

## 2.2 General

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 Issuer

### (a) *The Issuer’s dependence on Sea Pebbles Group companies and their business activities*

The Issuer is the parent company of the Sea Pebbles Group and given its recent incorporation does not itself have any trading history. It was set up primarily as a finance company with one of its purposes being that of financing or re-financing the funding requirements of the business of the Guarantor and other Sea Pebbles Group companies. In this respect, the Company is dependent on the business prospects of the Sea Pebbles Group companies, particularly the Guarantor, and consequently, the operating results of the Sea Pebbles Group have a direct effect on the Company’s financial position and performance. Therefore, the risks intrinsic in the business and operations of Sea Pebbles Group companies have a direct effect on the ability of the Issuer to meet its obligations in connection with the payment of interest on the Bonds and repayment of principal when due.

Accordingly, the risks of the Issuer are indirectly those of the Group and, in turn, all risks relating to the Group are the risks relevant to the Issuer.

Specifically, in so far as the Bonds are concerned, the Issuer is principally dependent, including for the purpose of servicing interest payments on the Bonds and the repayment of the principal amount on Redemption Date, on the receipt of interest payments and loan repayments from Group companies and income derived from dividends receivable from the Guarantor and other Group companies.

The interest payments, loan repayments and dividend payments to be affected by Group companies are subject to certain risks. More specifically, the ability of Group companies to affect payments to the Issuer will depend on the cash flows and earnings of such Group companies, which may be restricted: by changes in applicable laws and regulations; by the terms of agreements to which they are or may become party; or by other factors beyond the control of the Issuer. The occurrence of any such factor could, in turn, negatively affect the ability of the Issuer to meet its obligations in connection with the payment of interest on the Bonds and repayment of principal when due.

*(b) Risks inherent in forecasts*

The forecasts set out in the Prospectus are dependent on a number of assumptions and future expectations that may or may not occur. The non-occurrence of those future expectations could have material adverse effects on the financial position and results of the Group and the Company. The said forecasts are, therefore, merely an illustration of a possible future outcome which may or may not occur and the Company, its directors, officers and advisors make no representation as to their accuracy or likelihood of occurrence. Forecasts are inherently subject to the risks of adverse unexpected events which may affect the revenue streams and profitability of the Sea Pebbles Group and/or the Company.

2.4 Risks relating to the Sea Pebbles Group (including the Guarantor) and its business

*(a) The Sea Pebbles Group is subject to market and economic conditions generally*

The Sea Pebbles Group is subject to the general market and economic risks that may have a significant impact on the Projects, the timely completion thereof and other budgetary constraints relative to its business. These include factors such as the state of the local property market, inflation and fluctuations in interest rates, exchange rates, property prices and other economic and social factors affecting demand for real estate generally. In the event that general economic conditions and property market conditions experience a downturn which is not contemplated in the Group's planning during the construction and completion of the Projects, particularly the development of the Pebbles St Julians Hotel, this shall have an adverse impact on the financial condition of the Group and the ability of the Company to meet its obligations under the Bonds.

The Group has a long trading history in mixed use real estate developments that consist principally of hotels and restaurants. The hotel industry globally is characterised by strong and increasing competition. Many of the Group's current and potential competitors may have longer operating histories, greater name recognition, larger customer bases and greater financial and other resources than the Group. Severe competition in Malta and changes in economic and market conditions could adversely affect the Group's business and operating results.

The Group's business model remains primarily reliant on restaurant and hotel assets, with a diversified strategy resulting in increased reliance on hospitality. Accordingly, the Group's prospects should be considered in the light of the risks and difficulties generally encountered by companies operating in similar markets and industry sectors. The Issuer's operations and the results of its operations are subject to a number of factors that could adversely affect the Group's business, many of which are common to the hotel and hospitality industry and beyond the Group's control.

*(b) Material risks relating to real estate development may affect the economic performance and value of the Projects*

There are a number of factors that commonly affect the real estate development industry, many of which are beyond the Sea Pebbles Group's control, and which could adversely affect the economic performance and value of the Sea Pebbles Group's Projects. Such factors include:

- changes in the general economic conditions in Malta;

## SP Finance plc – Registration Document

- changes in local market conditions, such as an oversupply of similar properties;
- possible structural and environmental problems;
- acts of nature, such as earthquakes and floods, that may damage any of the properties or delay development thereof; and
- increased competition in the market segment in which the Sea Pebbles Group operates may lead to an oversupply of restaurant and hotel properties in such markets, which could lead to a lowering of prices and a corresponding reduction in revenue of the Sea Pebbles Group from the Projects.

Any of the factors described above could have a material adverse effect on the Sea Pebbles Group's business, its financial condition and prospects and, accordingly, on the repayment of the Bond and interest thereon by the Issuer and/or Guarantor.

### *(c) Competition*

The Group already operates in highly competitive markets and this level of competition may increase, which may limit the future ability of the Group to maintain its market share and revenue level. Current and potential competitors may have longer operating histories, greater name recognition, larger customer bases and greater financial, technical, marketing and other resources than the Group. Some of these competitors may be able to respond more quickly, engage in more extensive promotional activities, offer more attractive pricing and terms to their customers and adopt more aggressive pricing policies. There can be no assurance that the Group will be able to maintain or increase its market share and to compete effectively with current or future competitors or that the competitive pressures will not consequently have a material adverse effect on Group's business, financial condition, operational performance and, accordingly, on the Issuer's and Guarantor's ability to fulfil their respective obligations under the Bonds.

### *(d) The hotel industry could be adversely affected by natural disasters, terrorist activity and war*

Natural disasters, the spread of contagious disease, industrial action, travel-related accidents, terrorist activity and war, and the targeting of hotels and popular tourist destinations in particular, have, in the past, had a significant negative impact on the hotel industry globally and such events could have a similarly negative impact on the industry in the future.

Events such as the afore-mentioned could directly or indirectly affect travel patterns and reduce the number of business and leisure travelers and reduce the demand for hotel accommodation at the Group's hotels. In addition, concerns about air travel safety could substantially decrease the overall amount of air travel, including premium business travel, which is generally associated with the highest average daily rates at hotels. Such a decrease could have an adverse impact on occupancy levels in hotels owned and/or operated by the Group.

The local incoming tourism industry is impacted by economic conditions in the countries from which Malta's tourism is sourced, by economic and political conditions in competing destinations, by the availability of air travel capacity and connections to the Maltese Islands and by the continued growth in global tourism, particularly from the Far East, that impacts overall hotel occupancy across all European destinations. Adverse movements in the overall balance of these factors could negatively affect the Group's performance and the achievement of its projected results. Additionally, the tourism industry is inherently cyclical and, following the relative peak in this industry's performance which has now extended for a number of years, a relative downturn could potentially be experienced by the industry in the coming years.

Furthermore, actual or threatened war, terrorist activity, political unrest, civil strife and other geopolitical uncertainty may also reduce overall demand for business and leisure travel. The occurrence of any of these events or increasing concerns about these events could have a material adverse impact on the business, financial condition, results of operations and prospects of the Group.

### *(e) The Issuer depends on third parties in connection with its business, giving rise to counterparty risks*

The Group shall rely upon third-party service providers such as architects, building contractors and suppliers for the refurbishment, construction and completion of the Projects. As such, the Group will be engaging the services of third-party contractors for the purpose of the refurbishment and development of the Projects, including the finishing of the Projects in a timely manner and within agreed cost parameters. This gives rise to counter-party risks in those instances where such third-parties do not perform in line with the Group's expectations and in accordance with their contractual obligations. If these risks were to materialise, the resulting

development delays in completion could have an adverse impact on the Sea Pebbles Group's business, and its financial condition, results of operations and prospects, that could have a material adverse impact on the Company's ability to meet its obligations under the Bond.

*(f) The Sea Pebbles Group may be exposed to cost overruns and delays in completing the Projects and the acquisition of the Target Properties*

The Projects being undertaken by the Group are susceptible to certain risks inherent in real estate development, most notably the risk of completing such Projects within their respective scheduled completion dates and within the budgeted cost. If either or both of these risks were to materialise they could have a significant impact on the financial condition of each of Pebbles Resort Limited and Pebbles St Julians Limited and, ultimately therefore, the ability of the Issuer to meet its obligations under the Bonds. In particular, the risks of delays and cost overruns could cause actual sales revenues and costs to differ from those projected and which are affected, amongst others, by factors attributable to counter-parties, general market conditions, and competition which are beyond the Sea Pebbles Group's control.

Renovating, refurbishing or otherwise improving existing properties to maintain the desired standards, and developing new and commercially viable properties, is key to the Group's business and growth strategy. The development and/or improvement of the Group's properties in the future presents a number of risks, including: market disruption or oversupply, which may result in the Group being unable to achieve appropriate room rates at the prices it anticipates, potentially requiring changes in the Group's pricing strategy that could result in significant losses or charges; and construction delays, cost overruns, lender financial defaults or "acts of God" such as earthquakes, hurricanes, floods or fires, which could increase overall project costs or result in project cancellations.

Delays in the time scheduled for completion of the Projects may also cause significant delays in the tempo of the revenues forecasted by the Sea Pebbles Group generated from such Projects, which can have a significant adverse impact on the Sea Pebbles Group's financial condition and cash flows. Similarly, if the Projects were to incur significant cost overruns that were not anticipated, the Sea Pebbles Group may have difficulties in sourcing the funding required for meeting such cost overruns and, therefore, may risk not completing the Projects, which shall have a material adverse impact on the cash flows generated from sales of hotel rooms and a material adverse impact on the financial condition of each of Pebbles Resort Limited and Pebbles St Julians Limited and, ultimately therefore, the ability of the Issuer to meet its obligations under the Bonds.

During the term of the Bonds, the Sea Pebbles Group shall acquire the Target Properties with the intention to further develop such Target Properties in the near future.

*(g) The Group may not be able to realise the benefits it expects from investments made in its properties under development*

The Group's business, through subsidiaries or associated entities, consists in part of the acquisition, development and, in certain cases, operation of real estate projects, comprising hotels, residences and retail spaces. Property acquisition and real estate development projects are subject to a number of specific risks, many of which are beyond the Group's control, including: insufficiency of resources to complete the projects; general industry trends, including the cyclical nature of the real estate market; sale or rental transactions not being effected at the prices and within the timeframes envisaged; changes in local market conditions, such as an oversupply of similar properties or a reduction in demand for real estate; shortages and/or price increases in raw materials or other construction inputs, such as, among others, cement, steel, energy and other utilities; acts of nature that may damage the properties or delay their development; higher interest costs; and the erosion of revenue generation. If these risks were to materialise they would have an adverse impact on the Group's revenue generation, cash flows and financial performance.

Renovating, refurbishing or otherwise improving existing properties to maintain the desired standards, and acquiring and developing new and commercially viable properties, is key to the Group's business and growth strategy. The development and/or improvement of the Group's properties in the future presents a number of risks, including: market disruption or oversupply, which may result in the Group being unable to achieve appropriate room rates, potentially requiring changes in the Group's pricing strategy that could result in significant losses or charges.

## SP Finance plc – Registration Document

The Group is also exposed to the risk of delays or refusals in obtaining the necessary planning permissions or other building and other required permits and authorisations, which is a risk commonly associated with property development projects.

Furthermore, the Group is subject to various counter-party risks, including the risk of counter-parties, such as contractors and sub-contractors engaged in the demolition, excavation, construction and finishing of developments in which the Group may be involved, defaulting on their obligations with the Group. Such parties (which may include both third parties as well as related parties) may default or fail to perform on their obligations to the Group due to insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond the Group's control.

If such risks, many of which are common to the real estate industry, were to materialise, they could have an adverse impact on the Group's revenue generation, cash flows and financial performance.

The Group's ability to realise the full benefits that it expects from investments made in properties will depend, in turn, on its ability to assess and minimise these risks in an efficient and cost-effective manner. No assurance can be given that the Group will be able to deal with these risks in an efficient and cost-effective manner.

*(h) The Group may not be able to obtain the capital it requires for development or improvement of existing or new investments on commercially reasonable terms, or at all*

The Group's ability to implement its business strategies is dependent upon, amongst other things, its ability to generate sufficient funds internally and to access financing at acceptable costs. No assurance can be given that sufficient financing for its current and future investments will be available on commercially reasonable terms or within the timeframes required by the Group, also taking into account the need, from time to time, for the Group's properties to undergo renovation, refurbishment or other improvements. Any weakness in the capital markets may limit the Group's ability to raise capital for completion of projects that have commenced or for development of future investments. Failure to obtain, or delays in obtaining, the capital required to complete current or future developments on commercially reasonable terms, including increases in borrowing costs or decreases in loan funding, may limit the Group's growth and materially and adversely affect its business, financial condition, results of operations and prospects.

*(i) The Sea Pebbles Group may be exposed to environmental or other regulatory liabilities attaching to real estate property*

Current laws and regulations, which may be amended from time to time, impose a liability for the presence of certain materials or substances or the release of certain materials or substances into the air, land or water or the migration of certain materials or substances from a property and property development, including asbestos, and such presence, release or migration could form the basis for liability to third parties for personal injuries or other damages.

In view of these obligations, the Sea Pebbles Group may become liable for the costs of removal, investigation or remediation of any substances, including hazardous or toxic substances, that may be located on, or in or which may have migrated from, a property owned or occupied by it, which costs may be substantial. The Sea Pebbles Group may also be required to remove or remediate any such substances or materials that it causes or knowingly permits at any property that it owns or may in future own.

In addition to environmental constraints, the Sea Pebbles Group's property development operations are subject to extensive regulations, including national and local regulation and administrative requirements and policies which relate to, among other things, planning, developing, land use, local urban regeneration strategy, fire, health and safety, and others. These regulations often provide broad discretion to the relevant authorities and non-compliance may adversely affect the Sea Pebbles Group's financial condition, its results of operations and its prospects.

*(j) Ability to secure planning and construction consents on a timely basis*

Obtaining planning permits, from the competent planning and environment authorities, on a timely basis, is of key importance to the Sea Pebbles Group's business. There can be no certainty that any given application for the development of the Pebbles St Julians Hotel will result in planning consent being granted, or that if granted, will not be on unduly onerous terms, which, if occurring across a number of developments, may materially and

adversely affect Sea Pebbles Group's business. Furthermore, local and national planning policies are subject to change, which could consequently impact the Sea Pebbles Group's development strategy.

*(k) Property valuations may not reflect actual market values*

Property values are affected by and may fluctuate, *inter alia*, as a result of changing demand, changes in general economic conditions, changing supply within a particular area of competing space and attractiveness of real estate relative to other investment choices. The value of the Group's property portfolio may also fluctuate as a result of other factors outside the Group's control, such as changes in regulatory requirements and applicable laws (including in relation to taxation and planning), political conditions, the condition of financial markets, potentially adverse tax consequences, and interest and inflation rate fluctuations.

The Group's operating performance could be adversely affected by a downturn in the property market in terms of capital values. The valuation of property and property-related assets is inherently subjective, due to, among other things, the individual nature of each property and the assumptions upon which valuations are carried out. Accordingly, there can be no assurance that the valuations of Group properties and property-related assets referred to in the Prospectus will reflect actual market values that could be achieved upon a sale, even where any such sale were to occur shortly after the valuation date. Actual values may be materially different from any future values that may be expressed or implied by forward-looking statements set out in the relative valuation or anticipated on the basis of historical trends, as reality may not match the assumptions made.

*(l) The Group may be exposed to risks relative to its insurance policies*

Although the Group maintains insurance at levels determined to be appropriate in the light of the cost of cover and the risk profiles of the business in which the Group operates, there can be no assurance that its insurance coverage will be sufficient, or that insurance proceeds will be paid on a timely basis to the Group. In addition, the Group may not be able to recover the full amount from the insurer. No assurance can be given that the Group's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates. As a result, any loss or disruption to any of the Group's operations may have a material adverse effect on the Group's business, results of operations and financial condition.

*(m) Litigation risk*

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

*(n) Reliance on key senior personnel and management*

The Group believes that its growth will, in part, be attributable to the efforts and abilities of the Directors and members of its executive management team and other key personnel. If one or more of these individuals were unable or unwilling to continue in their present position, the Group might not be able to replace them within the short term, which could have an adverse effect on the Group's business, financial condition and results of operations.

In common with many businesses, the Group will be relying heavily on the contacts and expertise of its Directors, senior management teams and other key personnel. Although no single person is solely instrumental in fulfilling the Group's business objectives, there is no guarantee that these objectives will be achieved to the degree expected following the possible loss of key personnel. The loss of the services of any of the key personnel could have, in the short term, a material adverse effect on the Issuer's business.

*(o) Liquidity risk*

In view of the fact that the Group is, in part, a property holding organisation, coupled with the fact that property is a relatively illiquid asset, such illiquidity may affect the Group's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely manner and at satisfactory prices in response to changes in economic,

real estate, market or other conditions. These factors could have an adverse effect on the Group's financial condition and results.

## 2.5 Risks relating to the Guarantee and the Collateral

The Bonds, as and when issued and allotted, shall constitute the general, direct, unconditional and secured obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantor jointly and severally. The Bonds shall be secured by the Collateral and, accordingly, shall rank with priority or preference over other present and future unsecured obligations of the Issuer. Notwithstanding that the Bonds constitute the general, direct, unconditional and secured obligations of the Issuer, as guaranteed by the Guarantor, they may rank after causes of preference which may arise by operation of law. 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 Company and the Guarantor which may rank with priority or preference over the Collateral.

In view of the fact that the Bonds are being guaranteed by the Guarantor on a joint and several basis, the Bondholders shall be entitled to request the Guarantor to pay both the interest due and the principal amount under said Bonds if the Company 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 Guarantor without having to first take action against the Company. The strength of this undertaking on the part of the Guarantor and, therefore, the level of recoverability by the Bondholders from the Guarantor of any amounts due under any of the Bonds, is dependent upon and directly linked to the financial position and solvency of the Guarantor.

The Bond Issue is further supported by the Collateral that is to be granted in favour of the Security Trustee for the benefit and in the interest of Bondholders. Whilst this grants the Security Trustee a right of preference and priority for repayment over the Collateral, there can be no guarantee that the value of the Collateral 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 the relevant Collateral, specifically the value of the Security Property. If such circumstances were to arise or subsist at the time that the Collateral is to be enforced by the Security Trustee, it could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Bonds.

## 3. Persons Responsible

This Registration Document includes information prepared in compliance with the Listing Rules of the Listing Authority for the purpose of providing Bondholders with information with regard to the Issuer and the Guarantor. Each and all of the Directors of the Issuer whose names appear in sub-section 4.1 of this Registration Document accept responsibility for all the information contained in the Prospectus.

**To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Registration Document 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. Identity of directors, advisors, Security Trustee and auditors

### 4.1 Directors and company secretary of the Issuer

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

Joseph Casha	Executive Director
Josephine Casha	Executive Director
Alex Perici-Calascione	Independent, non-executive Director
Mark Grech	Independent, non-executive Director
Reuben Debono	Independent, non-executive Director



## SP Finance plc – Registration Document

Joseph Casha and Josephine Casha occupy senior executive positions within the Group. The other three Directors, Alex Perici-Calascione, Mark Grech and Reuben Debono serve on the Board of the Issuer in a non-executive capacity. Alex Perici-Calascione, Mark Grech and Reuben Debono are considered as independent Directors since they are free of any significant business, family or other relationship with the Issuer, its controlling shareholders or the management of either, that could create a conflict of interest such as to impair their judgement. In assessing Alex Perici-Calascione's, Mark Grech's and Reuben Debono's independence due notice has been taken of sub-section 5.117 of the Listing Rules.

The business address of the Directors is 89, The Strand, Sliema, Malta.

The company secretary of the Issuer is Dr Andrea Micallef.

The following are the respective *curriculum vitae* of the Directors:

### **Joseph Casha**; Executive Director

Joseph has been actively involved in the hotel and catering business since 1982, when the company Sea Pebbles Limited was formed. Joseph and his wife Josephine commenced operating from rented premises, where they operated a small bar and restaurant in The Strand, Sliema. Gradually over the years they bought the rented premises, added a 4-floor guest house over the bar and restaurant and bought adjoining property which nowadays forms the footprint of the current Sea Pebbles Boutique Hotel. Joseph's main responsibility has always been the operations and business development of the Group.

### **Josephine Casha**; Executive Director

Josephine, together with her husband Joseph, has been actively involved in the hotel and catering business since 1982, forming the company Sea Pebbles Limited and operating from the original modest premises in The Strand, Sliema. Initially involved in day-to-day operations with her husband Joseph, Josephine has for the past 25 years held the role of marketing and sales, coupled with financial and general administration.

### **Alex Perici-Calascione**; Independent, non-executive Director

After having received his secondary education at St. Aloysius' College, Alex joined the Law course at the University of Malta from where he graduated as Doctor of Laws in 1986. Alex joined Emmanuel Mallia and Associates as a trainee in 1984, became a member on graduation in 1986 and was appointed as Partner of the firm in 1996, a position he held up until 2012. Throughout his career, Alex acted as legal advisor to a number of leading Maltese and foreign companies and organizations. He was appointed Commissioner for Justice by the Prime Minister in 1991 serving until 1996. He also appeared as a member of the legal team representing Malta before The European Court of Justice in one of the cases instituted by the European Commission against Malta. Alex served on the Board of the Malta Council for Science and Technology between 2009 and 2013. Alex is a founding partner of PCM Legal. He has also worked for a number of years within the sphere of voluntary organizations for disabled persons, primarily on the Board of Governors of Razzett tal-Hbiberija between 1998 and 2008.

### **Mark Grech**; Independent, non-executive Director

Mark graduated B.A. (Hons.) Business Management from the University of Malta in 1986 and is an Associate Member and Fellow of the Malta Institute of Accountants. After having occupied the position of tax inspector at the Office of Inland Revenue responsible for tax assessments and objections of self-employed persons, between December 1993 and September 2000 Mark moved to the International Tax Unit within the Malta Financial Services Authority as Deputy Head of the Unit set up within Malta's Inland Revenue Department responsible for international taxation and the financial services sector. In October 2000 Mark took on the position of Director and Head of the Tax Department at Deloitte & Touche Malta, responsible for all tax related services to the firm's national clients, subsequent to which in January 2004 he progressed to Partner at Deloitte Member Firm in Malta taking on the role of leader of the team providing indirect tax advisory and compliance services, a position he held till May 2017. Mark is a contributor to the Taxation Manual published by the Malta Institute of Taxation.

## SP Finance plc – Registration Document

**Reuben Debono**; Independent, non-executive Director

Reuben completed his educational studies in 2004 having obtained a B.A. in Law and International Relations, Diploma of Notary Public and Doctor of Laws, and a Diploma in Trust Law from the University of Malta. Immediately upon obtaining his aforesaid qualifications Reuben took up the profession of a Notary Public and he runs his own notarial practice.

### 4.2 Directors of the Guarantor

As at the date of this Registration Document, the Board of directors of Sea Pebbles Limited is constituted by the following persons:

Joseph Casha	Executive director
Josephine Casha	Executive director

The business address of the directors of the Guarantor is 89, The Strand, Sliema, Malta.

The company secretary of the Guarantor is Josephine Casha.

The *curriculum vitae* of Joseph Casha and Josephine Casha are set out in sub-section 4.1 of this Registration Document.

### 4.3 Senior management

The Issuer is the finance arm of the Sea Pebbles Group and as such does not require an elaborate management structure. The Directors believe that the Group's present management organisational structures are adequate for the current activities of the Issuer and the Group generally. The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the Group's business and to strengthen the checks and balances necessary for optimum corporate governance.

The following are the respective *curriculum vitae* of the key members of the Group's executive team:

**Cliff Agius**; General Manager

Cliff holds an advanced Diploma in Tourism Studies for Higher Management and boasts over 25 years of successful sales and management background spanning across general hotel management, hotel contracting in 3-star, 4-star and 5-star categories, executive management of hotels' sales office and the set up and management of an online UK travel company. Prior to taking on his present role of General Manager of the Pebbles Resort Malta in June 2017, Cliff spent over 10 years working as a brand executive and HORECA sales representative with a leading local importation and distribution company.

**Hezron Muscat**; Food and Beverage Manager

After completing his studies and training at the Institute of Tourism Studies, Malta, Hezron worked for 15 years as a catering supervisor both in Malta and in Ireland, before joining the MedAsia team as food and beverage manager. Today he is responsible for the overall operation, strategies, sales and marketing of several catering outlets run by MedAsia and he will, in due course, be involved in the management of the San Pawl Hotel's catering section.

**Tracy Mann**; Sales Manager and assistant to the General Manager

Tracy has a long-standing background in management and customer service oriented in the hotel and leisure industry, stemming from her past experience gained from acting as a reservations clerk at the Fortina Hotel and, subsequently, customer service coordinator and trainer at Overland Ltd. Tracy today occupies the position of sales manager and assistant to the general manager at the Pebbles Resort Malta where she is responsible for supporting the general manager in the management of the day-to-day operations of the 4-star resort, including managing the daily activities team, managing the front desk team, staff customer service accountability and company Standard Operating Procedures (SOP) training.

## SP Finance plc – Registration Document

**Daniela Casha**; Reservations and Front Office Manager

After obtaining a Diploma in Sports and Leisure from the Institute of Tourism Studies, Malta in 2004, Daniela took on the role of lifestyle consultant at Le Meridien London Gatwick, a position she held for a year prior to being promoted to Deputy Health Club Manager at the same hotel. In December 2005 she took on the position of assistant director of Da Giuseppe restaurant in the Strand, Sliema, Malta. In September 2010 Daniela was appointed to her present role of reservations and front office manager at the Pebbles Boutique Aparthotel, with responsibilities including oversight of all reservations and payments, handling of complaints, recruitment and training of new staff.

#### 4.4 Advisors to the Issuer and Guarantor

As at the date of the Prospectus none of the advisors named below in this sub-section have any beneficial interest in the share capital of the Issuer or the Guarantor. Additionally, save for the terms of engagement relative to their respective services provided in connection with the preparation of the Prospectus, no material transactions have been entered into by the Issuer or the Guarantor with any of the advisors referred to below. The organisations listed below have advised and assisted the Directors in the drafting and compilation of the Prospectus.

##### Legal advisors:

Name: GVZH Advocates  
Address: 192, Old Bakery Street, Valletta VLT 1455, Malta

##### Sponsoring stockbroker:

Name: Calamatta Cuschieri Investment Services Limited  
Address: Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta

##### Financial advisors:

Name: Deloitte Services Limited  
Address: Deloitte Place, Mriehel Bypass, Mriehel BKR 3000, Malta

#### 4.5 Security Trustee

Name: Alter Domus Trustee Services (Malta) Limited  
Address: Vision Exchange Building, Territorials Street, Mriehel, Birkirkara BKR 3000, Malta

Alter Domus Trustee Services (Malta) Limited is duly authorised and qualified to act as a trustee or co-trustee in terms of the Trusts and Trustees Act (Chapter 331 of the laws of Malta).

#### 4.6 Auditors

Name: Vincent Curmi & Associates  
Address: Finance House, First Floor, Princess Elizabeth Street, Ta' Xbiex XBX 1102, Malta

Name: Steven Galea CPA  
Address: 37, St. Mary Street, Naxxar NXR 1406, Malta

No audited financial statements of the Issuer have been prepared since its incorporation on 19 November 2018 to the date of this Registration Document. The Issuer has appointed Vincent Curmi & Associates of Finance House, First Floor, Princess Elizabeth Street, Ta' Xbiex XBX 1102, Malta as its auditors. Vincent Curmi & Associates is a firm of certified public accountants holding a practicing certificate to act as auditors in terms of the Accountancy Profession Act, 1979 (Chapter 281 of the laws of Malta).

The annual statutory financial statements of the Guarantor for the financial years ended 31 December 2015, 2016 and 2017 were audited by Steven Galea CPA of 37, St. Mary Street, Naxxar NXR 1406, Malta. Steven Galea is a certified public accountant holding a practicing certificate to act as auditor in terms of the Accountancy Profession Act, 1979 (Chapter 281 of the laws of Malta).

## 5. Information about the Issuer, the Guarantor and the Sea Pebbles Group

### 5.1 The Issuer

Legal name of the Issuer:	SP Finance p.l.c.
Registered address:	89, The Strand, Sliema, Malta
Place of registration and domicile:	Malta
Registration number:	C 89462
Date of registration:	19 November 2018
Legal form:	The Company is lawfully existing and registered as a public limited company in terms of the Act
Telephone number:	+356 21311889
E-mail address:	info@pebbleshotelmalta.com
Website:	www.pebbleshotelmalta.com

The Issuer is the parent company of the Sea Pebbles Group and is owned in equal proportions by spouses Joseph and Josephine Casha.

The Issuer was incorporated on 19 November 2018 as a private limited liability company, registered in terms of the Companies Act with company registration number C 89462, and subsequently changed its status to a public company with effect from 23 January 2019. The Issuer is domiciled in Malta, having its registered office at 89, The Strand, Sliema, Malta. The Issuer, which was set up and established to act as a finance company, has as at the date hereof an authorised and issued share capital of €250,000 divided into 250,000 ordinary shares of €1 each, all fully paid up. At present, the shares in the Issuer are subscribed to and held as indicated in sub-section 8.1 of this Registration Document.

The principal object of the Issuer is to purchase or otherwise acquire, under any title whatsoever, to hold and manage, by any title, movable and immovable property or other assets, including but not limited to securities and other financial interests. The issue of bonds falls within the objects of the Issuer.

The Issuer is not intended to undertake any trading activities itself apart from the raising of capital and the advancing thereof to members of the Group. Accordingly, the Issuer is economically dependent principally on the financial and operating performance of the businesses of Group entities, comprising the business of hotel management and hospitality (further details of said entities and their respective businesses are set out in sub-section 5.3 of this Registration Document).

The Issuer does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company. The Issuer is, therefore, intended to serve as a vehicle through which the Group will continue to finance its future projects, principally and in the immediate future the Projects set out in detail in sub-section 5.3 of this Registration Document, as well as other projects that may be undertaken by its subsidiary companies; and/or enabling the Group to seize new opportunities arising in the market.

Save for the above, the Issuer is not dependent on other entities outside the Sea Pebbles Group with respect to the management of the Projects.

There are no recent events particular to the Issuer which are, to a material extent, relevant to the evaluation of the Issuer's solvency.

The Issuer operates exclusively in and from Malta.

## SP Finance plc – Registration Document

### 5.2 The Guarantor

Legal name of the Issuer:	Sea Pebbles Limited
Registered address:	89, The Strand, Sliema, Malta
Place of registration and domicile:	Malta
Registration number:	C 6138
Date of registration:	15 November 1982
Legal form:	The Company is lawfully existing and registered as a private limited liability company in terms of the Act
Telephone number:	+356 21311889
E-mail address:	info@pebbleshoelmalta.com
Website:	www.pebbleshotelmalta.com

The Guarantor was incorporated on 15 November 1982 and is, as at the date of this Registration Document pursuant to a reorganization concluded on 10 December 2018, indirectly through SP Investments Limited a wholly-owned subsidiary of the Issuer, which latter entity is the parent company of the Group.

The Guarantor was incorporated on 15 November 1982 as a private limited liability company, registered in terms of the Companies Act with company registration number C 6138 and is domiciled in Malta, having its registered office at 89, The Strand, Sliema, Malta. The Guarantor, at the date of the Prospectus, has an authorised and issued share capital of €465,874.60 divided into 200,000 Ordinary shares of €2.329373 each, all fully paid up. At present, the shares in the Guarantor are subscribed to and held as indicated in sub-section 8.2 of this Registration Document.

The principal object of the Guarantor is to carry on all or any of the business of hotel-keepers, hotel managers or operators, and to manage and operate one or more hotels and guest houses. In terms of its Memorandum of Association, the Guarantor is entitled to give guarantees as security for obligations of third parties in any manner which the directors of the company may deem fit and appropriate.

The Guarantor owns and operates the Sea Pebbles Boutique Hotel situated at No. 88/89, The Strand, Sliema, a freehold property consisting of a nine storey block from which the Guarantor operates a 52-room apart-hotel situated along the Gzira – Sliema promenade. Said property overlies the commercial outlet TexMex Bar & Grill, a property owned by the Guarantor situated at 89, The Strand, Sliema, which is rented out to a third-party operator and is presently being operated as a popular restaurant.

Sea Pebbles Limited also owns the neighboring corner building situated at No. 90, The Strand, Sliema and having another entrance from Saint Agatha Street, Sliema, which property is freehold and is overlying the popular restaurant MEDASIA Fusion Lounge, which is leased out to a related operating company. Said property at No. 90, The Strand, Sliema consists of a nine storey block with mix use, including a catering establishment, apartments and garages, all of which are operated by the Guarantor.

Furthermore, the Guarantor owns and operates the property at No. 11, 12 and 13 Saint Agatha Street, Sliema which is also freehold and consists of a seven storey block, including semi-basement, parking accessible by car lift and 17 guest rooms.

The Guarantor has entered into a promise of sale agreement to acquire two apartments overlying the block at No. 90, The Strand Sliema and the relative airspace and a separate promise of sale agreement, as assigned to it from Sea Pebbles Properties Limited (C 77777) on 28 February 2019, to acquire an adjoining guesthouse in Sliema for a total amount of €5,000,000. Part of the funds raised from the proposed Bond Issue will be used to fund the acquisition of the Apartments and Guesthouse, as set out in sub-section 5.1 of the Securities Note.

The Group intends to eventually construct and extend the Sea Pebbles Boutique Hotel and to add a further 150 rooms (bring the total number of rooms up to 202 rooms), with construction planned to take place during 2021 and 2022 - management is projecting the redeveloped hotel to be fully operational from year 2024.

The Guarantor operates exclusively in and from Malta.

### 5.3 Historical development of the Sea Pebbles Group and overview of the Group's business

Joseph and Josephine Casha started their business back in 1980, both at the age of 26, when they rented out Pebbles Bar at No. 89, The Strand, Sliema, a premises which they operated in their personal name until they formed the Guarantor on 15 November 1982. They acquired the *utile dominium temporanium* of the premises which they were previously renting as aforesaid, as well as the property next door at No. 88, The Strand, Sliema, in June 1984, following which they carried on operating the premises as a bar and restaurant.

They then built a 4 floor apart-hotel consisting of 16 rooms, and in 1988, following a further permit, they extended the apart-hotel to 7 floors. The Guarantor acquired the freehold over the properties at No. 88/89, The Strand in 1993. In 2004 a further permit was obtained for an extension to the building which was increased to 9 floors as it presently stands. This includes the catering outlet TexMex Bar & Grill on the ground floor (rented to and operated by a third party) and 8 floors operated by the Guarantor as an apart-hotel.

After a long and difficult process involving 63 persons who had inherited the corner house situated at No. 90, The Strand, Sliema with another entrance on Saint Agatha Street, an agreement was reached for the purchase of the said house in June 1995. The freehold over No. 90, The Strand was acquired in 1999.

Building works on No. 90, The Strand started in 2000 and took around 2 years to complete, with the property now consisting of a catering outlet on semi-basement and elevated ground floor, garages (with an entrance from Saint Agatha Street), an office and self-catering apartments on the floors above. These are all operated by the Guarantor. Since 2012, the catering outlet has been leased out to MEDASIA Fusion Lounge.

In 2007, the Guarantor purchased another property at No. 13, Saint Agatha Street, Sliema which, together with the adjacent property already owned by the company at No. 11 & 12, Saint Agatha Street, was developed into a 7 floor building with garages and apartments, and subsequently developed into a 17 room guesthouse which is also presently operated by Sea Pebbles Limited.

The Group is still looking to further increasing its property portfolio and, following the Bond Issue, it will be able to proceed with the acquisition of the Apartments and the Guesthouse, consequent to which the Group is planning to redevelop the whole property into a 202 room hotel.

Throughout the Group's long-standing history, it has financed its acquisitions by bank finance and retained profits, which have gradually grown as the Guarantor's operations increased as a result of the availability of more rooms. The hard work and efforts of the directors have resulted in the current business operation, property and other assets.

#### 5.3.1 San Pawl Hotel

San Pawl hotel, to be re-branded as Pebbles Resort, is a three-star 234 room hotel situated in Bugibba, Malta in respect of which the Group has, through the Guarantor, on 30 August 2018 entered into a lease agreement for the management of hotel operations with the hotel's owners for a term of fifteen (15) years commencing from Q1 2019. The lease agreement, as subsequently assigned to Pebbles Resort Limited on 4 December 2018, does not provide for an automatic right of renewal in favour of Pebbles Resort Limited.

As part of its lease commitments, the Group will undertake a comprehensive upgrade of the existing premises in Q1-2019 which will allow it to re-open for operations in Q3 2019. The Group has estimated the redevelopment and upgrade cost at €3,000,000 and the hotel's first full year of operations will be 2020. Part of the funds raised from the proposed Bond Issue will be used to fund the said redevelopment and upgrade cost, as set out in sub-section 5.1 of the Securities Note.

Following the aforesaid redevelopment and upgrade, the Pebbles Resort will be operated as a four-star hotel located in the heart of Saint Paul's Bay, offering elegant, modern and luxurious accommodation. All of the hotel's rooms will be fitted with flat screen TV's, showing satellite channels, tea and coffee facilities, private bathrooms with hairdryer, air conditioning, electronic door lock, daily cleaning service, and either a balcony or a terrace overlooking the outside pool, or with a city view.

Pebbles Resort will offer its patrons four restaurants, all serving different specialities from around the world, besides the two bars to be situated on the premises. Guests will also have access to a seasonal outdoor pool, as well as an indoor pool with jacuzzi, a garden, a fitness centre and a hair and nail salon.

## SP Finance plc – Registration Document

### 5.3.2 Pebbles St Julians Hotel

On 31 January 2018 the Group, through Sea Pebbles Catering Limited (C 80952), entered into a lease agreement for the construction and management of a hotel overlying Ryan’s Pub for a twenty (20) year term. Said lease agreement was subsequently assigned to Pebbles St Julians Limited on 4 December 2018. Ryan’s Pub is a well-known restaurant and bar situated in Spinola Bay, St. Julians, Malta.

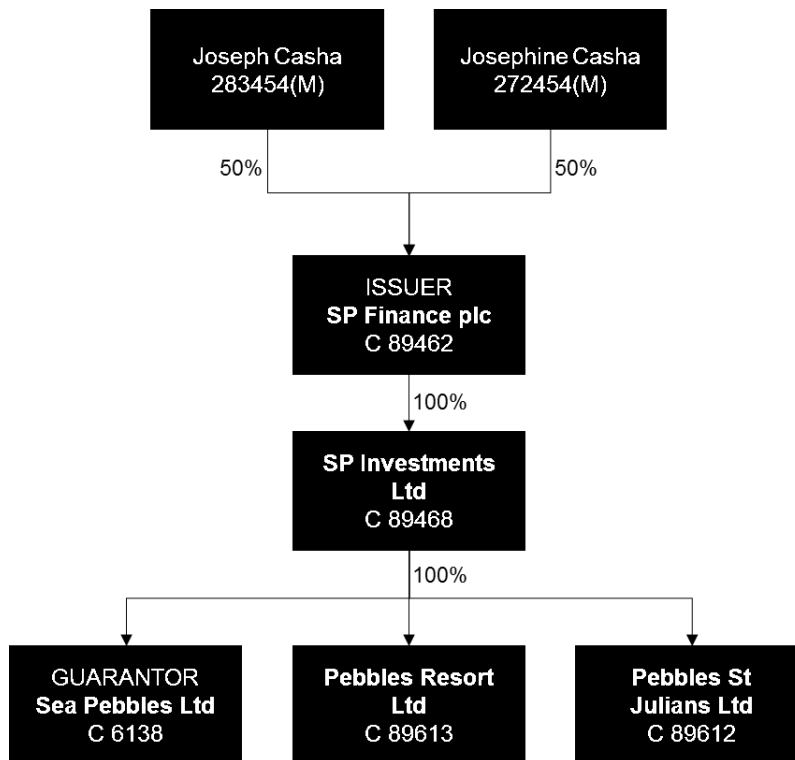
The Group has applied for a development permit for the addition of a hotel above the existing Ryan’s Pub and, subject to the requisite permits being issued, the Group is expected to commence construction of the proposed hotel in 2019 and to complete the project by the end of 2019. As stated above, the Pebbles St Julians Hotel shall overlie the Ryan’s Pub, which Pub shall not in any manner form part of, or be connected with, the hotel. The hotel capacity is expected to be eighteen (18) rooms and the estimated cost for such development is valued at €600,000, which cost is to be funded from part of the proceeds raised from the proposed Bond Issue, as set out in sub-section 5.1 of the Securities Note. Such cost shall include the finishing of the hotel rooms and the common parts and, subject to the necessary development permits being issued as aforesaid, the hotel’s first full year of operations is expected to be 2020.

The development application for the construction of a hotel is currently at an advanced stage, and the plans which were submitted, and which reflect the hotel rooms have been approved by the Planning Authority, subject to final ongoing discussions which are currently being held concerning some alignments. The Group is in possession of a permit for the Pebbles St Julians Hotel to operate as a Class 4 D Bar and Restaurant, therefore should the Planning Authority not proceed with issuing the necessary permit for a hotel, the Group is prepared to operate under the permit already at hand and will operate under the name of one of its brands, “Il-Malti” or “Medasia”.

### 5.4 Organisational structure

As previously stated, the Issuer is, essentially, a special purpose vehicle set up to act as a financing company for the needs of the Group and, as such, it is dependent on the business prospects and operating results of Group entities. Specifically, in so far as the Bonds are concerned, the Issuer is principally dependent, including for the purpose of servicing interest payments on the Bonds and the repayment of the principal amount on Redemption Date, on the receipt of interest payments, loan repayments and dividend payments from Group companies.

The organisational structure of the Sea Pebbles Group is illustrated in the diagram below as at the date of this Registration Document:



## SP Finance plc – Registration Document

SP Investments Limited was incorporated on 19 November 2018 with an authorised and issued share capital of €10,000 divided into 10,000 Ordinary shares of €1 each, fully paid-up, all held by the Issuer. The role of SP Investments Limited within the Group will be to ensure the optimal mode of investments into subsidiaries, which will enable a consistent flow of funds from the parent to operational subsidiaries without being negatively impacted by the different project timings.

In this regard, the Issuer will invest all of the net Bond Issue proceeds amounting to circa €11,650,000 as preference shares in SP Investments Limited, which preference shares will be non-voting, cumulative preference shares that will carry a coupon of 0.1% above the coupon rate of the Bonds, that is at a rate of 4.1%. In terms of the Memorandum and Articles of Association of SP Investments Limited, said preference shares shall be redeemable within a period of up to thirty (30) years of their allotment. SP Investments Limited shall have the right to redeem all or part of said preference shares on any date it chooses within the aforesaid thirty-year period with the mutual consent of the Issuer as the holder of the preference shares in question. Provided that the directors of each of the Issuer and SP Investments Limited have undertaken that the redemption of any of said preference shares is to occur subject to the proceeds thereof being held by the Issuer for redemption of the Bonds.

SP Investments Limited will, in turn, invest the following amounts into its subsidiaries as follows: (i) €3,000,000 as Ordinary shares in Pebbles Resort Limited; (ii) €600,000 as Ordinary shares in Pebbles St Julians Limited; and (iii) €3,750,000 as Ordinary shares and €3,750,000 as an interest free loan to the Guarantor. The balance in an amount of circa €550,764 will be retained by SP Investments Limited as general corporate funding to be loaned interest free to its subsidiaries as and when required. Further details on said proposed flows of funds are set out in sub-section 5.1 of the Securities Note.

### 5.5 Collateral granted in favour of the Security Trustee

Security for the fulfilment of the Issuer's obligations in terms of the Bond Issue is to be granted in favour of the Security Trustee for the benefit of Bondholders, by way, *inter alia*, of the granting of the Collateral as described hereunder and set out in further detail in sub-section 5.5 of the Securities Note. The security shall be constituted in favour of the Security Trustee for the benefit of all Bondholders from time to time registered in the CSD. The Collateral will be vested in the Security Trustee for the benefit of the Bondholders in proportion to their respective holding of Bonds.

The Guarantor, in addition to its undertaking to jointly and severally guarantee the punctual performance by the Company of the Bond Obligations under and in terms of the Guarantee, shall grant the following security rights in favour of the Security Trustee for the benefit of Bondholders:

- a first ranking special hypothec over the Security Property for the aggregate amount of €13,824,000 and interests thereon in favour of the Security Trustee, for the benefit of Bondholders as beneficiaries, in its capacity as trustee of the SP Finance Bond 2029 Trust pursuant to the terms of the Security Trust Deed and the Deed of Hypothec; and
- a pledge over the proceeds from the Insurance Policy in favour of the Security Trustee in its capacity as trustee of the SP Finance Bond 2029 Trust pursuant to the terms of the Security Trust Deed

Following the Bond Issue, the Security Trustee shall retain all Bond Issue net proceeds until the Collateral has been duly perfected and the Malta Stock Exchange has confirmed that the Bonds will be admitted to the Official List of the Malta Stock Exchange. The Bonds shall not be included on the Official List of the Malta Stock Exchange unless the Collateral has been perfected.

The Security Trustee's role includes the holding of the Collateral for the benefit of Bondholders and the enforcement of the said Collateral upon the happening of specified events of default. The Security Trustee shall have no payment obligations to Bondholders under the Bonds, which obligations remain exclusively the obligations of the Issuer.

Without prejudice to other powers and discretions of the Security Trustee in terms of the Security Trust Deed, the Security Trustee shall have the discretion to enforce the Collateral on its own accord or upon receiving notice from the Bondholders that any of the Events of Default has occurred in accordance with the provisions of the Securities Note.

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

The outstanding aggregate amount of Group bank facilities to be re-financed pursuant to the Bond Issue is €2,499,236 as at the date of the Prospectus. Once the outstanding bank facilities referred to in sub-section 6.5 of the Securities Note are refinanced through the application of Bond Issue proceeds as aforesaid, the Security Property will, through the appropriate cancellations, reductions and/or waivers (as applicable), be released from all charges currently encumbering



## SP Finance plc – Registration Document

the Security Property, and such charges shall effectively be replaced by the Collateral being created in favour of the Security Trustee for the benefit of Bondholders.

In relation to the Security Property, the Security Trustee shall appear on each notarial deed to effect payment and to obtain, if possible and where relevant, subrogation into the rights of the bank which provided the original finance. Pursuant to these deeds, the Security Trustee shall obtain the Collateral over the relevant immovable property constituting the Security Property and that had previously secured the bank funding being refinanced.

By creating a preferred claim over the Security Property, the Collateral will secure the claim of the Security Trustee, for the benefit of and in the interest of Bondholders, for the repayment of the principal and interest under the Bonds. Accordingly, following the issue of the Bonds and application of the Bond Issue proceeds in accordance with the terms of sub-section 5.1 of the Securities Note, as well as the release of the existing security in place over the Security Property, the Security Trustee will have the benefit of a first ranking special hypothec over the Security Property for the full amount of the Bonds and interest thereon.

## 6. Trend information and financial performance

### 6.1 Trend information of the Issuer

The Issuer was registered and incorporated on 19 November 2018 and as such has no financial information to report. Accordingly, it is not in a position to assert whether there has been a material adverse change since the date of publication of its latest audited financial statements.

In view of the Issuer's purpose of acting as a financing company to the Group, its business is limited to the raising of capital for the financing of capital projects and the loaning of such capital to Group subsidiary companies, the collection of interest from Group entities and the settlement, in turn, of interest payable on capital raised from third parties, in the circumstances via the issue of listed bonds.

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

There has been no material adverse change in the prospects or in the financial or trading position of the Issuer since the date of its incorporation.

### 6.2 Trend information of the Group

The tourism industry in Malta has been progressively growing over the years, benefiting from a surge in tourism with records broken year-on-year. During 2017, tourist arrivals reached 2.3 million, an increase of 15.7% over the previous years. Hotel accommodations benefited from the increasing number of tourists coming to Malta over the recent years, which translated into higher number of guests and occupancy.

In 2016, total nights spent by inbound tourists to Malta reached nearly 15 million, an increase of 5.7% over 2015, of which around 8.5 million were spent in hotels. Total guest nights in 2017 exceeded 16.5 million, an increase of 10.3% over 2016. Expenditure by non-package on accommodation in 2017 remained stable at €297 per capita, despite a decrease in the average length of stay from 7.6 nights in 2016 to 7.3 nights in 2017.

The top 3 localities for tourist accommodation in 2016 were St Julians (25%), St Paul's Bay/Bugibba/Qawra area (23%) and Sliema (17%), while the net occupancy rate increased from 64.0% to 64.5%.

The recently published MHRA Hotel Survey by Deloitte for Quarter 2 of 2018 indicates that the number of tourist arrivals and guest nights for the first 6 months of 2018 increased by 16.6% and 17.5%, respectively, when compared with 2017, with the number of nights spent in hotels increasing by 12.1%.

This trend in the increase in the number of tourist arrivals over the last 3 years has been stable as can be demonstrated by the table below:<sup>1</sup>

---

<sup>1</sup> Sources of information set out in sub-section 7.2: Tourism in Malta – Facts & Figures 2017 (MTA); Regional Statistics Malta 2017 Edition (NSO); and MHRA Q2 Hotel Survey by Deloitte

## SP Finance plc – Registration Document

	2015	2016	2017	Change 2017/16
Inbound tourists	1,783,366	1,965,928	2,273,837	15.66%
Tourist guest nights	14,151,599	14,961,366	16,509,141	10.35%
Average length of stay	7.9	7.6	7.3	-3.94%
Tourist expenditure (€'000s)	1,639,067	1,708,952	1,946,894	13.92%

At the time of publication of this Registration Document, the Sea Pebbles Group considers that generally it shall be subject to the normal business risks associated with the hospitality industry in Malta in which it operates and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material adverse effect on its business or upcoming prospects, at least with respect to the next twelve (12) months. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

### 6.3 Key financial review

The Issuer was registered and incorporated on 19 November 2018 to issue the Bonds and loan the proceeds to Group companies as disclosed in the Prospectus. The Issuer has, to date, not conducted any business and has no trading record and, as such, there were no significant changes to the financial or trading position of the Issuer since incorporation to the date of this Registration Document. Since incorporation to the date of this Registration Document no financial statements have been prepared in respect of the Issuer.

#### 6.3.1 Historical Financial Information of the Guarantor

##### Statement of comprehensive income

	FY15 €'000	FY16 €'000	FY17 €'000	8M FY17 €'000	8M FY18 €'000
Revenue	925	1,284	1,372	910	1,030
Cost of sales	(212)	(250)	(237)	(165)	(171)
<b>Gross profit</b>	<b>713</b>	<b>1,034</b>	<b>1,135</b>	<b>744</b>	<b>859</b>
Administrative expenses	(269)	(322)	(292)	(193)	(236)
<b>EBITDA from hotel operations</b>	<b>445</b>	<b>712</b>	<b>843</b>	<b>551</b>	<b>623</b>
Rental Income <sup>1</sup>	47	54	61	32	33
Profit on sale of property	126	-	-	-	358
Investment income	65	1	-	-	-
<b>Total EBITDA</b>	<b>683</b>	<b>768</b>	<b>904</b>	<b>584</b>	<b>1,015</b>
Depreciation	(127)	(164)	(173)	(112)	(117)
<b>EBIT</b>	<b>556</b>	<b>604</b>	<b>731</b>	<b>472</b>	<b>898</b>
Interest expense	(135)	(138)	(141)	(94)	(88)
<b>Profit before tax</b>	<b>421</b>	<b>466</b>	<b>590</b>	<b>377</b>	<b>809</b>
Tax	(148)	(44)	(205)		
<b>Profit after tax</b>	<b>272</b>	<b>421</b>	<b>385</b>		
<b>Other comprehensive income</b>					
Movement in revaluation of property	1,129	-	4,056		
<b>Total comprehensive income</b>	<b>1,401</b>	<b>421</b>	<b>4,441</b>		

Note 1: Includes service charge and government grants

Source: Audited IFRS Financial Statements; Management Accounts

## SP Finance plc – Registration Document

### Statement of financial position

	FY15	FY16	FY17	8M FY17	8M FY18
	€'000	€'000	€'000	€'000	€'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	15,486	16,284	20,539	16,390	23,645
Investment in associate	47	-	-	-	-
<b>Total non-current assets</b>	<b>15,533</b>	<b>16,284</b>	<b>20,539</b>	<b>16,390</b>	<b>23,645</b>
<b>Current assets</b>					
Trade and other receivables	626	490	338	303	1,023
Current tax recoverable	9	10	-	-	-
Cash at bank and in hand	341	399	60	64	114
<b>Total current assets</b>	<b>976</b>	<b>898</b>	<b>398</b>	<b>367</b>	<b>1,137</b>
<b>Total assets</b>	<b>16,509</b>	<b>17,183</b>	<b>20,937</b>	<b>16,757</b>	<b>24,783</b>
<b>Equity and Liabilities</b>					
<b>Capital and reserves</b>					
Called up issued share capital	466	466	466	466	466
Revaluation reserve	12,628	12,628	14,793	12,628	17,738
Retained earnings	750	1,071	731	824	1,435
<b>Total equity</b>	<b>13,844</b>	<b>14,165</b>	<b>15,990</b>	<b>13,917</b>	<b>19,638</b>
<b>Non-current liabilities</b>					
Long-term borrowings	2,109	2,439	2,160	2,258	2,070
Deferred taxation	112	151	2,058	151	2,428
<b>Total non-current liabilities</b>	<b>2,220</b>	<b>2,590</b>	<b>4,218</b>	<b>2,409</b>	<b>4,498</b>
<b>Current liabilities</b>					
Short-term borrowings	365	295	306	265	263
Trade and other payables	80	127	235	161	211
Current tax payable	-	5	188	5	172
<b>Total current liabilities</b>	<b>445</b>	<b>428</b>	<b>729</b>	<b>431</b>	<b>646</b>
<b>Total liabilities</b>	<b>2,665</b>	<b>3,017</b>	<b>4,947</b>	<b>2,839</b>	<b>5,144</b>
<b>Total equity and liabilities</b>	<b>16,509</b>	<b>17,183</b>	<b>20,937</b>	<b>16,757</b>	<b>24,783</b>

Source: Audited IFRS Financial Statements

## SP Finance plc – Registration Document

### Cash flow statement

€'000	FY15 €'000	FY16 €'000	FY17 €'000	8M FY17 €'000	8M FY18 €'000
<b>Cash flows from operating activities</b>					
Operating profit	365	602	730	472	539
Adjustments for					
Depreciation	127	164	173	112	117
	<b>492</b>	<b>766</b>	<b>903</b>	<b>584</b>	<b>656</b>
Working capital changes					
Movement in trade and other receivables	(174)	137	152	186	(686)
Movement in trade and other payables	(62)	48	108	35	(24)
<b>Cash flows from operations</b>	<b>256</b>	<b>951</b>	<b>1,162</b>	<b>805</b>	<b>(54)</b>
Interest paid	(135)	(138)	(141)	(1)	(1)
Dividends received	65	1	-	-	-
Taxation refunded	19	-	10	10	-
Taxation paid	(87)	(2)	(5)	(0)	(16)
<b>Net cash flows from operating activities</b>	<b>118</b>	<b>812</b>	<b>1,026</b>	<b>813</b>	<b>(70)</b>
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment	(76)	(962)	(371)	(218)	(130)
Proceeds from disposal of property, plant and equipment	419	-	-	-	580
Disposal of investments	-	47	-	-	-
Other investments	126	-	-	-	-
	<b>469</b>	<b>(915)</b>	<b>(371)</b>	<b>(218)</b>	<b>450</b>
<b>Cash flows from financing activities</b>					
Movement in related party loan	-	(100)	-	-	-
Movement in bank loan	(271)	360	(294)	(287)	(272)
Dividends paid	(50)	(100)	(725)	(625)	(105)
	<b>(321)</b>	<b>161</b>	<b>(1,019)</b>	<b>(912)</b>	<b>(377)</b>
<b>Reconciliation of net cash flow to movement in net funds</b>					
Movement in cash and cash equivalents	266	58	(364)	(317)	3
Cash and cash equivalents at start of year	75	341	399	399	35
<b>Cash and cash equivalents at end of year</b>	<b>341</b>	<b>399</b>	<b>35</b>	<b>82</b>	<b>38</b>

The financial information included hereinafter is extracted from the audited financial statements of the Guarantor for the financial years ended 31 December 2015 to 2017 and management accounts for the period ended 31 August 2018.

Revenue is generated from room rentals. Revenue has increased by a Compound Annual Growth Rate (CAGR) of 21.8% from FY15 to FY17.

Revenue increased by 38.8% in FY16 due to the increase in number of rooms in May 2016 from 32 to 52. In FY17, the full year operations of 52 rooms increased revenue by 6.8%. Revenue for 8M FY18 increased by 13.3% compared to the corresponding period last year due to an improvement in the room rates and the occupancy rates over the corresponding comparative period.

Cost of sales mainly represent booking fees paid to the third party online booking portals like “booking.com”. Cost of sales decreased by a CAGR of 5.6% from FY15 to FY17. Cost of sales increased slightly by 3.8% during the period 8M FY18 due to increased booking fees relating to increase in revenue.

Administration expenses mainly consist of salaries and wages, water and electricity expenses, repairs and maintenance expenses and bank charges, representing 82.0% of the total administrative expenses in FY17. Administration expenses decreased by a CAGR of 4.2% from FY15 to FY17. The cumulative decrease over the period mainly relates to one-off expenses incurred for additional rooms becoming available in FY16. Administration expenses increased by 22.2% during 8M FY18 period compared to the corresponding period last year mainly due to an increase in the company’s payroll.

Rental income mainly represents rental income generated by the company from its properties at ground floor level that consist of two restaurants, TexMex and MedAsia. Rental income aggregates to €61.0k per annum in FY17 increasing by a CAGR of 13.1% from FY15 to FY17. Rental income includes elements of service charge and/or government grants, which cumulatively aggregate to €4.8k, €11.8k and €5.5k in FY15, FY16 and FY17, respectively.

Profit on sale of property in FY15 of €126k relates to the sale of the 7<sup>th</sup> and 8<sup>th</sup> floors and overlying airspace at No. 90, Saint Agatha Street, Sliema (€112k) and of other properties held by the company which were not part of the company’s main operations (€14k). For the period 8M FY18, €358k relates to the sale to a related company of various properties owned by the Guarantor which did not form part of the company’s main operations.

## SP Finance plc – Registration Document

Interest cover ratio has increased from 5.1 times in FY15 to 6.4 times in FY17, due to increase in EBITDA year-on-year from FY15 to FY17. Interest cover has further improved to 11.5 times for the period 8M FY18 because of the profit on sale of properties. The interest cover without including the profit on sale of property still shows an increase to 7.4 times for the period 8M FY18.

In FY17, EBITDA stood at €904k (€768k in FY16) increasing at CAGR of 15.1% from FY15 to FY17 because of the increase in the number of rooms. EBITDA for 8M FY18 increased by €431k mainly due to profit on sale of property as compared to the corresponding period in the previous year.

During the FY15 - FY17 the total assets of the company increased by a CAGR of 12.4% mainly due to an increase in non-current assets.

Non-current assets in the statement of financial position as at 31 December 2017 mainly comprise of land and buildings. These account for 98.1% of the company's total assets in FY17 and stood at €20.5 million (€16.3 million in FY16). Land and buildings were revalued by an independent valuer in FY15 and in FY17, which increased the revaluation reserves by €1.1 million and €2.2 million in FY15 and FY17, respectively.

Current assets as at 31 December 2017 amounted to €398k (€976k in FY16) and accounted for 0.3% of the total assets of the company as at 31 December 2017. Current assets mainly consist of amounts receivable from related parties. Related company account represents an amount advanced by the company to Sea Pebbles Properties Limited. Trade and other receivables increased by €721k from 31 August 2018 compared to the corresponding period last year on the account of an increase of €697k in the amount advanced to Sea Pebbles Properties Limited, by way of transfers of property to the related company and transfers of funds for the related company's operations. The remaining increase was made up of €21k deposit paid on the promise of sale of property, and an increase in prepayments of €3k.

The Company has several bank loans along with an overdraft facility from a leading local bank. The total debt of the company has remained stable at approximately €2.5 million during FY15 - FY17. Total gearing has decreased slightly from 14.6% in FY15 to 13.4% mainly due to increase in revaluation reserves.

Revaluation reserves increased from €12.8 million in FY15 to €14.8 million in FY17 after land and buildings were revalued by an independent valuer in December 2017. For the period 31 August 2018, revaluation reserves increased to €17.8 million because of a further revaluation done on the basis of an architect's valuation carried out in October 2018 and reflect the increase in value following the issuance of planning permits for the development of the company's property.

Net cash flows from operating activities in FY17, as presented in the statements of cash flows for the year ended 31 December 2017, amounted to €1.0 million as compared to €0.3 million in FY15 which was driven by an improvement in the EBITDA of the company. Net cash flows from operating activities for the period 8M FY18 decreased to negative €70k when compared to the corresponding period in the previous year on account of an increase of €661k in the amount owed by the related company Sea Pebbles Properties Limited.

## 7. Administrative, management and supervisory bodies

### 7.1 The Issuer

#### 8.1.1 The Board of Directors

The Company's governance principally lies in its Board of Directors, which is responsible for the general governance of the Company and to set its strategic aims, for its proper administration and management and for the general supervision of its affairs.

The Memorandum of Association of the Issuer provides that the business and affairs of the Issuer shall be managed and administered by a Board of Directors to be composed of not less than two (2) and not more than ten (10) Directors, who are appointed by the shareholders by means of an ordinary resolution in general meeting.

The Issuer is currently managed by a Board of 5 Directors who are responsible for the overall direction and management of the Company. The Board currently consists of 2 executive Directors, who are entrusted with the Company's day-to-day management, and 3 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

## SP Finance plc – Registration Document

the executive Directors. In line with generally accepted principles of sound corporate governance, at least 1 of the Directors shall be a person independent of the Group. No Directors have been removed since the Issuer's inception.

As at the date of the Prospectus, the Board of the Issuer is composed of the five (5) individuals listed in sub-section 4.1 of this Registration Document.

None of the Directors have been:

- a) convicted in relation to fraud or fraudulent conduct;
- b) made bankrupt or associated with any liquidation or insolvency caused by action of creditors;
- c) the subject of any official public incrimination or sanction by any statutory or regulatory authority; or
- d) disqualified by a court from acting as director or manager.

### 8.1.2 Directors' service contracts

The respective functions of each of the Issuer's non-executive Directors are regulated by service contracts. A copy of each of these service contracts is available for inspection at the registered office of the Issuer in accordance with the requirements of the Listing Rules. Neither of the executive Directors of the Issuer have a service contract with the Issuer.

### 8.1.3 Loans to Directors

There are no loans outstanding by the Issuer to any of its Directors, nor any guarantees issued for their benefit by the Issuer.

### 8.1.4 Removal of Directors

In terms of the Issuer's Articles of Association, the first Directors of the Issuer shall serve until the end of the first annual general meeting during which the new directors shall be appointed. Thereafter, all other directors shall hold office from the general meeting at which they are elected until the end of the next annual general meeting. All Directors shall retire from office once at least in each three (3) years but retiring directors shall be eligible for re-election. The Directors currently in office are expected to remain in office at least until the next Annual General Meeting of the Issuer.

A Director may, unless he resigns, be removed by an ordinary resolution of the shareholders as provided by Article 140 of the Act.

### 8.1.5 Powers of Directors

By virtue of the provisions of the Articles of Association of the Issuer, the Directors are empowered to transact all business and do all such things which are not by the Articles expressly reserved for the shareholders in general meeting.

Specifically, the Directors are vested with the management of the Issuer and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The Directors are empowered to act on behalf of the Issuer and, in this respect, have the authority to enter into contracts, sue and be sued in representation of the Issuer.

Directors may not vote on any contract, arrangement or investment in which they have a personal material interest, whether direct or indirect.

In terms of the Memorandum and Articles of Association, the Board of Directors may exercise all the powers of the Issuer to borrow money and to hypothecate or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligations of the Issuer or of any third party as it thinks fit, subject to the limit established in the Articles of Association and the overriding authority of the shareholders in general meeting to change, amend, restrict and/or otherwise modify such limit and the Directors' borrowing powers.

There are no provisions in the Issuer's Memorandum and Articles of Association regulating the retirement or non-retirement of Directors over an age limit.

## SP Finance plc – Registration Document

### 8.1.6 Aggregate emoluments of Directors

In terms of the Memorandum and Articles of Association of the Issuer, the aggregate emoluments of all Directors in any one financial year, and any increases thereto, shall be such amount as may from time to time be determined by the shareholders in General Meeting.

The remuneration of Directors shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Issuer or in connection with the business of the Issuer.

For the financial year ending on 31 December 2019 it is expected that the Issuer will pay an aggregate of €20,000 to its Directors.

### 8.1.7 Non-executive Directors

The non-executive Directors' main functions are to monitor the operations of the executive Directors and their performance, as well as to review any investment opportunities that are proposed by the executive Directors. All proposed acquisitions are brought to the Board of Directors for approval.

### 8.1.8 Employees

The Issuer does not have any employees of its own and is, therefore, reliant on the resources which are made available to it by other Group entities. As at the date of this Registration Document, the Group has a total of ten employees.

## 7.2 The Guarantor

### 8.2.1 The Board of directors

The Memorandum of Association of Sea Pebbles Limited provides that the business and affairs of the company shall be managed and administered by a Board of directors to be composed of not less than one and not more than five directors. As at the date of the Prospectus, the Board of the Guarantor is composed of the two (2) individuals listed in sub-section 4.2 of this Registration Document who are responsible for the overall direction and management of the company. Directors of the Guarantor are appointed by means of an ordinary resolution in general meeting. Accordingly, the Issuer is ultimately empowered to appoint the directors of the Guarantor and, therefore, has control over the management and operations of the Guarantor.

### 8.2.2 Directors' service contracts

Neither of the directors of the Guarantor have a service contract with the Guarantor.

### 8.2.3 Aggregate emoluments of directors

For the current financial year ending 2019, no director emoluments are due by the Guarantor.

### 8.2.4 Loans to directors

There are no loans outstanding by the Guarantor to either of its directors, nor any guarantees issued for their benefit by the Guarantor.

### 8.2.5 Powers of directors

By virtue of the Articles of Association of the Guarantor, the Board of directors is empowered to exercise all the rights of said company, except those rights as are expressly reserved for decision by the shareholders in general meeting.

## 7.3 Conflict of interest

In addition to being directors of the Issuer, Joseph Casha and Josephine Casha are also directors of the Guarantor and of all other Group companies.

## SP Finance plc – Registration Document

Additionally, Joseph Casha and Josephine Casha are the ultimate beneficial owners of 50% each of the Group.

In view of the foregoing, such directors are susceptible to conflicts between the potentially diverging interests of the Issuer, the Guarantor and any of such other Group companies in transactions entered into, or proposed to be entered into, between them. The independent, non-executive Directors of the Issuer have the task of ensuring that any potential conflicts of interest that may arise at any moment pursuant to these different roles held by the above-mentioned directors are handled in the best interest of the Issuer and according to law. The independent, non-executive Directors will also be tasked to ensure that transactions vetted by the Board of Directors are determined on an arms-length basis.

No private interests or duties unrelated to the Issuer, the Guarantor or the Group, as the case may be, have been disclosed by the general management team which may or are likely to place any of them in conflict with any interests in, or duties towards, the Issuer or the Guarantor, as the case may be.

In addition, in view of the lender-borrower relationship which is to arise between the Issuer and companies forming part of the Group, there may be situations that could give rise to conflicts between the potentially diverging interests of members of the Group. In such situations, the Directors shall act in accordance with the majority decision of those Directors who would not have a conflict in the circumstance and after taking account of the advice of outside legal counsel, if necessary.

To the extent known or potentially known to the Issuer and the Guarantor as at the date of this Registration Document, other than the information contained and disclosed herein, there are no other conflicts of interest between any duties of the Directors and of executive officers of the Issuer, and/or the directors of the Guarantor, as the case may be, and their respective private interests and/or their duties which require disclosure in terms of the Regulation.

### 7.4 Working capital

As at the date of this Registration Document, the directors of the Issuer and of the Guarantor are of the opinion that working capital available to the Issuer and the Guarantor, respectively, is sufficient for the attainment of their objects and the carrying out of their respective business for the next twelve (12) months of operations.

## 8. Major shareholders and related party transactions

### 8.1 Major shareholders of the Issuer

The Issuer has an authorised and issued share capital of €250,000 divided into 250,000 Ordinary shares of €1 each, which are subscribed to and allotted as fully paid up shares as follows:

Name of shareholder	Number of shares held
Joseph Casha	125,000 Ordinary shares of €1 each
Josephine Casha	125,000 Ordinary shares of €1 each

To the best of the Issuer's knowledge there are no arrangements in place as at the date of the Prospectus the operation of which may at a subsequent date result in a change in control of the Issuer.



## SP Finance plc – Registration Document

### 8.2 Major shareholders of the Guarantor

The Guarantor has an authorised and issued share capital of €465,874.60 divided into 200,000 Ordinary shares of €2.329373 each, which are subscribed to and allotted as fully paid up shares as follows:

Name of shareholder	Number of shares held
SP Investments Limited (C 89468)	200,000 Ordinary shares of €2.329373 each

The Guarantor is, therefore, through SP Investments Limited, a wholly-owned subsidiary of the Issuer, the parent company of the Sea Pebbles Group.

To the best of the Guarantor's knowledge there are no arrangements in place as at the date of the Prospectus the operation of which may at a subsequent date result in a change in control of the Guarantor.

### 8.3 Related party transactions

The Issuer adopts measures in line with the Code of Principles of Good Corporate Governance forming part of the Listing Rules (the "Code") with a view to ensuring that the relationship with its major shareholders is retained at arm's length, including adherence to rules on related party transactions set out in Chapter 5 of the Listing Rules requiring the vetting and approval of any related party transaction by the Audit Committee, which is constituted in its entirety by independent, non-executive Directors, of which one, in the person of Mark Grech, acts as Chair. The Audit Committee has the task of ensuring that any potential abuse is managed, controlled and resolved in the best interests of the Issuer. The composition of the Board, including the presence of three independent, non-executive Directors, effectively minimises the possibility of any abuse of control by any major shareholder.

More specifically, Group entities shall regularly enter into trading transactions with fellow subsidiaries within the Group in their normal course of business. Trading transactions between these companies include items which are normally encountered in a group context and include rental charges, management fees, recharging of expenses and financing charges. These transactions will be subject to the regular scrutiny of the Audit Committee of the Issuer, which will be provided with all relative material contracts for review, to ensure that they are made on an arm's length basis and that there is no abuse of power by the Issuer in the context of related party transactions. In this regard, the Audit Committee of the Issuer will meet as and when necessary for the purpose of discussing any transactions or circumstances which may potentially give rise to such conflict or abuse.

As from the date of incorporation of the Issuer to the date of this Registration Document, the Issuer has not entered into any transactions which in terms of the Listing Rules would constitute related party transactions.

### 8.4 Commissions

There were no commissions, discounts, brokerages or other special terms granted during the two (2) years immediately preceding the publication of the Prospectus in connection with the issue or sale of any capital of the Issuer or the Guarantor or any other Group company.

## 9. Corporate Governance

### 9.1 The Issuer

Prior to the present Bond Issue, the Issuer was not regulated by the Listing Rules and, accordingly, was not required to comply with the Code of Principles of Good Corporate Governance forming part of the Listing Rules (the "Code"). As a consequence of the present Bond Issue, in accordance with the terms of the Listing Rules, the Issuer is required to comply with the provisions of the Code. The Issuer declares its full support of the Code and undertakes to fully comply with the Code to the extent that this is considered complementary to the size, nature and operations of the Issuer.

## SP Finance plc – Registration Document

The Issuer supports the Code and is confident that the application thereof shall result in positive effects accruing to the Issuer.

The Board of Directors sets the strategy and direction of the Issuer and retains direct responsibility for appraising and monitoring the Issuer's financial statements and annual report. The functions of the Board are exercised in a manner designed to ensure that it can effectively supervise the operations of the Issuer so as to protect the interests of Bondholders, amongst other stakeholders. The Board is also responsible for making relevant public announcements and for the Issuer's compliance with its continuing listing obligations.

As required by the Act and the Listing Rules, the Issuer's financial statements are to be subject to annual audit by the Issuer's external auditors. Moreover, the non-executive Directors will have direct access to the external auditors of the Issuer who attend at Board meetings at which the Company's financial statements are approved. Directors are entitled to seek independent professional advice at any time on any aspect of their duties and responsibilities, at the Issuer's expense.

Going forward, in view of the reporting structure adopted by the Code, the Issuer shall, on an annual basis in its annual report, detail the level of the Issuer's compliance with the principles of the Code, explaining the reasons for non-compliance, if any.

As at the date hereof, the Board considers the Issuer to be in compliance with the Code save for the following exceptions:

Principle 7: Under the present circumstances, the Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the Board's performance is evaluated on an on-going basis by, and is subject to the constant scrutiny of, the Board itself, the company's shareholders, the market and the rules by which the Issuer is regulated as a listed company.

Principle 8: The Board of Directors considers that the size and operation of the Issuer does not warrant the setting up of nomination and remuneration committees. Given that the Issuer does not have any employees other than the Directors and the company secretary, it is not considered necessary for the Issuer to maintain a remuneration committee. Also, the Issuer will not be incorporating a nomination committee. Appointments to the Board of Directors are determined by the shareholders of the Issuer in accordance with the Company's Memorandum and Articles of Association. The Issuer considers that the members of the Board possess the level of skill, knowledge and experience expected in terms of the Code.

### 9.2 The Guarantor

The Guarantor is a private company and, accordingly, is not subject to the provisions of the Listing Rules, nor is it required to endeavor to adhere to the provisions of the Code.

## 10. Audit Committee of the Issuer

The Audit Committee's primary objective is to assist the Board of the Issuer in fulfilling its oversight responsibilities over the financial reporting processes, financial policies and internal control structure. The Audit Committee oversees the conduct of the external audit and acts to facilitate communication between the Board, management and the external auditors. The external auditors are invited to attend the Audit Committee meetings as and when necessary. The Audit Committee reports directly to the Board of Directors.

The terms of reference of the Audit Committee include, *inter alia*, its support to the Board of the Company in its responsibilities in dealing with issues of risk, control and governance, and associated assurance. The Board has set formal terms of establishment and the terms of reference of the Audit Committee that establish its composition, role and function, the parameters of its remit, as well as the basis for the processes that it is required to comply with. The Audit Committee, which meets at least once every three months, is a sub-committee of the Board and is directly responsible and accountable to the Board. The Board reserves the right to change these terms of reference from time to time.

## SP Finance plc – Registration Document

Briefly, the Audit Committee is expected to deal with and advise the Board on the following matters on a Group-wide basis:

- (a) its monitoring responsibility over the financial reporting processes, financial policies and internal control structures;
- (b) maintaining communications on such matters between the Board, management and the independent auditors;
- (c) preserving the Group's assets by understanding the risk environment and determining how to deal with those risks; and
- (d) facilitating the independence of the external audit process and addressing issues arising from the audit process.

Additionally, the Audit Committee has the role and function of considering and evaluating the arm's length nature of any proposed transaction to be entered into by the Issuer or the Guarantor and a related party, given the role and position of the Issuer within the Group, to ensure that the execution of any such transaction is, indeed, at arm's length and on a sound commercial basis and, ultimately, in the best interests of the Issuer or of the Guarantor, as the case may be. In this regard, the Audit Committee of the Issuer has the task of ensuring that any potential abuse which may arise in consequence of the foregoing state of affairs is immediately identified and resolved.

For this purpose, the Audit Committee's remit also extends to the operations of the Sea Pebbles Group and, accordingly, the Audit Committee has, pursuant to the relative terms of reference, been granted express powers to be given access to the financial position of the Issuer and all other entities comprising the Group on a quarterly basis. To this effect, the Issuer and all other entities comprising the Group are to submit to the Audit Committee bi-annual accounts, as well as at least quarterly comparisons of actuals against projections.

All of the Directors sitting on the Audit Committee are non-executives and are also of an independent capacity. The Audit Committee is presently composed of Alex Perici-Calascione, Mark Grech and Reuben Debono, all three members being non-executive Directors and also being independent of the Issuer. The Audit Committee is chaired by Mark Grech, whilst Alex Perici-Calascione and Reuben Debono act as members. In compliance with the Listing Rules, Mark Grech is the independent, non-executive Director who is competent in accounting and/or auditing matters. The Issuer considers that the members of the Audit Committee have the necessary experience, independence and standing to hold office as members thereof. The CVs of the said Directors may be found in sub-section 4.1 above.

## 11. Historical financial information

As indicated in sub-section 6.3 of this Registration Document, there is no historical financial information pertaining to the Issuer. There has not been any significant change in the financial or trading position of the Issuer which has occurred since the Company's date of incorporation.

The historical financial information relating to the Guarantor for the three financial years ended 31 December 2015 to 2017 as audited by Steven Galea CPA are set out in the financial statements of said entity, which are available for inspection as set out in section 17 below.

Sub-section 6.3.1 above includes historical financial information of the Guarantor for the financial years 2015, 2016 and 2017. The said financial information has been extracted from the audited financial statements for the years ended 31 December 2015 to 2017 of the Guarantor.

Save for the matters described in this Registration Document, there have been no significant changes to the financial or trading positions of the Guarantor since the end of the financial period to which the last audited financial statements relate.

Furthermore, the Issuer and the Guarantor hereby confirm that there has been no material change or recent development which could adversely affect potential investors' assessments in respect of the Bonds, other than the information contained and disclosed in the Prospectus.

## 12. Litigation and arbitration proceedings

There have been no governmental, legal or arbitration proceedings involving the Issuer and/or the Guarantor (including any such proceedings which are pending or threatened of which the Issuer and/or the Guarantor are aware) during the period covering twelve (12) months prior to the date of the Prospectus which may have, or have had, in the recent past significant effects on the financial position or profitability of the Issuer and/or the Guarantor and/or the Group, taken as a whole.

## 13. Material contracts

SP Investments Limited has entered into an interest free loan agreement dated 8<sup>th</sup> April 2019 with the Guarantor pursuant to which SP Investments Limited shall advance to the Guarantor the amount of €3,750,000 from the proceeds of the Bond Issue, to be applied in the manner set out in sub-section 5.1 of the Securities Note.

Save for the Loan Agreement, the Security Trust Deed and the promise of sale agreements for the Guarantor to acquire the Apartments and the Guesthouse (as set out in sub-section 5.3 above), details of which are set out in this Registration Document, the Issuer, the Guarantor and/or other Group entities have not entered into any material contracts which are not in the ordinary course of their respective businesses which could result in either the Issuer, the Guarantor or any member of the Group being under an obligation or entitlement that is material to the Issuer's or the Guarantor's ability to meet its obligations to security holders in respect of the Bonds, as such securities are issued pursuant to, and described in, the Securities Note.

## 14. Additional information

### 14.1 Share capital of the Issuer

The Issuer has, as at the date of this Registration Document, an authorised and issued share capital of €250,000 divided into 250,000 Ordinary shares of €1 each, all fully paid up. Joseph Casha holds 125,000 Ordinary shares of €1 each and Josephine Casha holds 125,000 Ordinary shares of €1 each.

There are no classes of shares and each share confers the right to one vote at general meetings of the Company. All Ordinary shares rank *pari passu* in all respects.

In terms of the Issuer's Memorandum and Articles of Association, no issue of shares in the Issuer shall take place where such issue would dilute a substantial interest of the shareholders of the Issuer without prior approval of the shareholders in general meeting.

The shares of the Issuer are not listed on the MSE. Application has not been filed for the shares of the Issuer to be quoted on the Official List of the MSE. There is no capital of the Issuer which has been issued to the public during the two years immediately preceding the publication of the Prospectus.

It is not expected that further shares in the Issuer shall be issued during the current financial year, whether fully or partly paid up, in consideration for cash or otherwise.

There is no capital of the Issuer which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Issuer is to be put under option.

### 14.2 Memorandum and Articles of Association of the Issuer

#### **Objects**

The Memorandum and Articles of Association of the Issuer are registered with the Registry of Companies, Malta. The principal object of the Issuer is to purchase or otherwise acquire, under any title whatsoever, to hold and manage, by any title, movable and immovable property or other assets, including but not limited to securities and other financial interests. The issue of bonds falls within the objects of the Issuer. Clause 4 of the Memorandum of Association contains the full list of objects of the Issuer.

## SP Finance plc – Registration Document

The Memorandum and Articles of Association otherwise regulate matters customarily dealt with therein, including matters such as voting rights and restrictions thereof, and the appointment and powers of Directors.

A copy of the Memorandum and Articles of Association of the Issuer may be inspected during the lifetime of the Prospectus at the registered office of the Issuer as set out in section 17 of this Registration Document and at the Registry of Companies of the MFSA during the lifetime of the Company.

### ***Voting rights and restrictions***

The holders of shares in the Issuer are entitled to vote at meetings of the shareholders of the Issuer on the basis of one (1) vote for each share held.

### **14.3 Share capital of the Guarantor**

The Guarantor has, as at the date of this Registration Document, an authorised and issued share capital of €465,874.60 divided into 200,000 Ordinary shares of €2.329373 each, all fully paid up, and held in their entirety by SP Investments Limited.

The authorised share capital of the Guarantor may be increased by a resolution of the shareholders in general meeting. Shares can be issued when and under those conditions decided by extraordinary resolution of the shareholders in general meeting.

Each Ordinary share in the company confers the right to one (1) vote at general meetings of the Guarantor. All Ordinary shares rank *pari passu* in all respects.

There is no capital of the Guarantor which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Guarantor is to be put under option. There are no arrangements, known to the Guarantor, which may at a subsequent date, result in a change in control of the Guarantor.

### **14.4 Memorandum and Articles of Association of the Guarantor**

#### ***Objects***

The Memorandum and Articles of Association of the Guarantor are registered with the Registry of Companies, Malta. The principal object of the Guarantor is to carry on all or any of the business of hotel-keepers, hotel managers or operators, and to manage and operate one or more hotels and guest houses. In terms of its Memorandum of Association, the Guarantor is entitled to give guarantees as security for obligations of third parties in any manner which the directors of the company may deem fit and appropriate.

The Memorandum and Articles of Association of the company otherwise regulate matters customarily dealt with therein, including matters such as voting rights and restrictions thereof, and the appointment and powers of directors.

A copy of the Memorandum and Articles of Association of the Guarantor may be inspected during the lifetime of the Prospectus at the registered office of the Guarantor as set out in section 17 of this Registration Document and at the Registry of Companies of the MFSA during the lifetime of the company.

#### ***Voting rights and restrictions***

The holders of shares in the Guarantor are entitled to vote at meetings of the shareholders of the Guarantor on the basis of one (1) vote for each share held.

## 15. Property valuation report

In connection with the issue of the Bonds in accordance with the terms of the Prospectus, the Issuer commissioned Perit Colin Zammit of Maniera Group to issue a property valuation report in relation to the Security Property owned by the Guarantor.

The following are the details of said independent valuer:

Name: Perit Colin Zammit *B.E. & A (HONS) A. & C.E.*  
Business address: 6/7, Alley No.1, Tower Street, Mosta MST 3510, Malta

Listing Rule 7.4.3 provides that property valuations to be included in a prospectus must not be dated (or be effective from) more than 60 days prior to the date of publication of the prospectus in question. Accordingly, the property valuation report referred to herein is dated 4<sup>th</sup> March 2019.

A copy of said report dated 4<sup>th</sup> March 2019 compiled by Perit Colin Zammit of Maniera Group in respect of the Security Property owned by the Guarantor, the aggregate value of which has been estimated at €13,824,000, is set out in Annex D to the Securities Note and is available for inspection as set out in section 17 of this Registration Document.

## 16. Third party information, statements by experts and declarations of any interest

Save for the architect's property valuation report set out in Annexes B, C and D to the Securities Note and the Financial Analysis Summary set out in Annex G to the Securities Note, the Prospectus does not contain any statement or report attributed to any person as an expert.

The architect's property valuation report dated 4<sup>th</sup> March 2019 has been included in Annexes B, C and D of the Securities Note in the form and context in which it appears with the authorisation of Perit Colin Zammit of 6/7, Alley No.1, Tower Street, Mosta MST 3510, Malta, who has given and has not withdrawn his consent to the inclusion of said report herein.

The Financial Analysis Summary dated 8<sup>th</sup> April 2019 has been included in Annex G 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 Guarantor. The Issuer confirms that the architect's property valuation report 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.

## 17. Documents available for inspection

The following documents or certified copies thereof, where applicable, shall be available for inspection at the registered office of the Issuer at 89, The Strand, Sliema, Malta during the term of the Bonds during office hours:

- a. Memorandum and Articles of Association of the Issuer and of the Guarantor;
- b. Audited financial statements of the Guarantor for the financial years ended 31 December 2015, 2016 and 2017;
- c. Letter of confirmation drawn up by Deloitte Services Limited dated 8<sup>th</sup> April 2019;
- d. Financial Analysis Summary dated 8<sup>th</sup> April 2019 and prepared by Calamatta Cuschieri Investment Services Limited, as reproduced in Annex G of the Securities Note;
- e. Architect's property valuation report dated 4<sup>th</sup> March 2019 prepared at the Company's request in respect of the Security Property, as reproduced in Annex D of the Securities Note;
- f. Non-executive Directors' service contracts;
- g. Trust Deed to be dated on 8<sup>th</sup> April 2019; and
- h. Loan Agreement dated 8<sup>th</sup> April 2019; and
- i. The Guarantee.

The documents listed in a and b above are also available for inspection in electronic form on the Issuer's website [www.pebbleshotelmalta.com](http://www.pebbleshotelmalta.com)