

This Summary Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with Commission Regulation (EC) No 809/2004 of the 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements as duly amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation 862/2012 of 4 June 2012, Commission Delegated Regulation 621/2013 of 21 March 2013, Commission Delegated Regulation (EU) No 759/2013 of 30 April 2013, Commission Delegated Regulation (EU) 2015/1604 of 12 June 2015 and Commission Delegated Regulation (EU) 2016/301 of 30 November 2015.

## SUMMARY NOTE

Dated 3<sup>rd</sup> June 2019

Issue of €20,000,000 3.75% Secured Bonds 2029 by



### TUM FINANCE PLC

A public limited liability company registered in Malta with company registration number C 91228

jointly and severally guaranteed and secured by Easysell Limited a private limited liability company registered in Malta with company registration number C 9778

ISIN MT0002271204

\* Prospective investors are to refer to the Guarantee contained in Annex 1 of the Securities Note and section 1 of the Registration Document for a description of the Guarantee. Reference should also be made to the section entitled 'Risk Factors' contained in this Registration Document and the Securities Note.

Legal Advisors



Sponsor & Registrar



Manager



**THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE BONDS 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 BONDS OF THE ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.**

Anthony  
Fenech

Silvan  
Fenech

Matthew  
Fenech

Stanley  
Portelli

Mario  
Vella

William  
Wait

## **IMPORTANT INFORMATION**

THIS SUMMARY NOTE CONTAINS INFORMATION ON TUM FINANCE PLC IN ITS CAPACITY AS ISSUER (THE 'ISSUER') AND EASYSSELL LIMITED AS GUARANTOR (THE '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 809/204 OF THE 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS AS DULY AMENDED BY COMMISSION DELEGATED REGULATION (EU) No. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION 621/2013 OF 21 MARCH 2013, COMMISSION DELEGATED REGULATION (EU) No 759/2013 OF 30 APRIL 2013, COMMISSION DELEGATED REGULATION (EU) 2015/1604 OF 12 JUNE 2015 and COMMISSION DELEGATED REGULATION (EU) 2016/301 OF 30 NOVEMBER 2015.

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

**THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS 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.**

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT AND ANY PERSONS WISHING TO APPLY FOR THE BONDS 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 THE BONDS TO BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH BONDS AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

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

A COPY OF THE PROSPECTUS HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, 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 ACT.

**STATEMENTS MADE IN THE PROSPECTUS 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 ISSUER AND THE GUARANTOR NAMED IN THIS REGISTRATION DOCUMENT UNDER THE HEADING 'ADVISORS' IN SECTION 3.2 HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND THE GUARANTOR, AS THE CASE MAY BE, 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 ANY WEBSITE OF ISSUER OR GUARANTOR OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO ISSUER OR GUARANTOR DO NOT FORM PART OF THIS PROSPECTUS. ACCORDINGLY NO RELIANCE

UGHT 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 INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS.**

**This Summary Note is prepared in accordance with the requirements of COMMISSION REGULATION (EC) No 809/2004 OF THE 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS AS DULY AMENDED from time to time.**

Summaries are made up of disclosure requirements known as 'Elements'. These Elements are numbered in Sections A – E. This Summary Note contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the Summary Note because of the type of security and issuer, it is possible that no relevant information can be given regarding an Element. In this case a short description of the Element is included in the Summary Note with the mention of 'not applicable'.

Except where the context otherwise requires, the capitalized words and expressions used in the Summary Note shall bear the meanings assigned to them in the Registration Document and the Securities Note, as the case may be.

## **SECTION A INTRODUCTION AND WARNINGS**

### **A.1 Warnings:**

Prospective investors are warned that:

- This Summary Note is being provided to convey the essential characteristics and risks associated with the Issuer and the Bonds being offered pursuant to the Prospectus. This Summary Note should be read as an introduction to the Prospectus. It is not, and does not purport to be exhaustive, and prospective investors are warned that they should not rely on the information contained in this Summary Note in making a decision as to whether to invest in the Bonds.
- Any decision to invest in the Bonds should be based on consideration by a prospective investor of the Prospectus as a whole.
- Where a claim relating to information contained in the Prospectus is brought before a court, plaintiff investor might have to bear the costs of translating the Prospectus before the legal proceedings are initiated, under the laws of the state where legal proceedings are to be brought.
- Civil liability attaches only to those persons who have tabled the Summary Note including any translation thereof, but only if the Summary Note, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent, or does not provide key information in order to aid prospective investors when considering whether to invest in the Bonds.

### **A.2 Consent for intermediaries in connection with the use of the Prospectus:**

Prospective investors are informed that:

- i. for the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries and any subsequent resale, placement or other offering of the Bonds by any authorized financial intermediary, in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Directive (EU Directive 2003/71/EC of the European Parliament and of the Council), the Issuer consents to the use of the Prospectus (and accepts responsibility for the information

contained therein) with respect to any such subsequent resale or placement or other offering of Bonds, provided this is limited to: (a) in respect of Bonds subscribed for through the Authorised Financial Intermediaries during the period which shall commence on 12<sup>th</sup> June 2019 and run up to 26<sup>th</sup> June 2019; (b) to any resale or placement of Bonds taking place in Malta; (c) to any resale or placement of Bonds taking place within the period of 60 days from date of the Prospectus;

- ii. **in the event of a resale, placement or other offering of the Bonds by an authorized financial intermediary, the authorised financial intermediary shall be responsible to provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.**

**SECTION B ISSUER AND GUARANTOR**

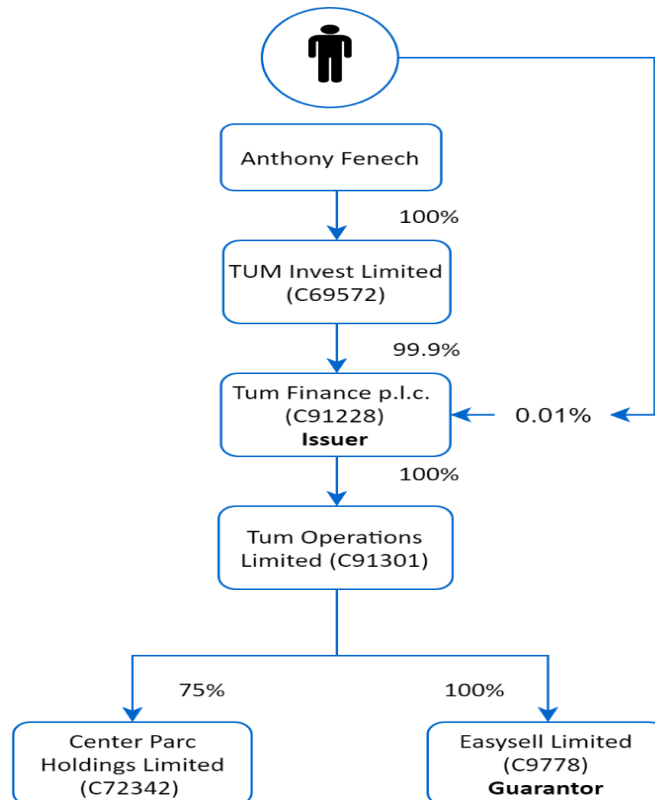
B.1 – B.19 Legal and commercial nature: Issuer is Tum Finance plc. Guarantor is Easysell Limited.

B.2 – B.19 Domicile, legal form, legislation, country of incorporation: The Issuer is registered and incorporated under the laws of Malta in terms of the Act as a public limited liability company and is domiciled in Malta. The Guarantor is registered and incorporated under the laws of Malta in terms of the Act as a private limited liability company and is likewise domiciled in Malta.

B.4b – B.19 Known trends: The Issuer is dependent on the business prospects of the Group, and therefore the trend information of the members of the Group, has a material effect on the Issuer’s financial position and prospects.

The Group is subject to general market and economic risks that may have a significant impact on its current and future property developments, and their timely completion within budget, and their profitable operation. These include factors such as the health of the local property market, inflation and fluctuations in interest rates, exchange rates, property prices and rental rates.

B.5 – B.19 Group companies: The Issuer and Guarantor form part of the following group of companies:



The Issuer is owned by Tum Invest Limited, who indirectly also wholly owns the Guarantor.

B.9 – B.19 Profit forecast/estimate: Not Applicable as the Registration Document does not contain any profit forecasts or estimates.

B.10 – B.19 Audit report qualifications: Not Applicable as the Issuer was registered and incorporated on 26 March 2019 and since incorporation to the date of the Prospectus no financial statements have been prepared. The audit reports on the audited financial statements for the year ended 31 December 2017 of the Guarantor do not contain any material qualifications.

B.12 – B.19 Key financial information: As at the date hereof the Issuer 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. There has not been any significant change in the financial or trading position of the Issuer, which has occurred since the date of its incorporation.

The historical financial information of the Guarantor for each of the financial years ended 31 December 2015, 2016 and 2017 as audited by Deloitte Audit Ltd are set out in the financial statements of the Guarantor. Such audited financial statements are available at the Issuer's registered office. There has been no material adverse change to the prospects of the Guarantor and no significant changes to its financial or trading position since the date of the last published audited financial statements of the Guarantor.

The key highlights taken from the audited financial statements of the Guarantor for the years ended 31 December 2015, 2016 and 2017 are set out below:

<b>Easysell Limited</b>			
<b>Condensed income statement for the year ended 31 December</b>			
<b>EUR '000</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Revenue	526	405	405
Cost of sales	(132)	-	-
<b>Gross profit</b>	<b>394</b>	<b>405</b>	<b>405</b>
Other operating income	280	38	38
Administrative and other operating expenses	(124)	(100)	(66)
<b>Operating profit</b>	<b>550</b>	<b>343</b>	<b>377</b>
Investment income	318	-	-
Finance costs	(57)	(29)	(73)
<b>Profit before tax</b>	<b>811</b>	<b>314</b>	<b>304</b>
Income tax expense	(55)	(93)	(93)
<b>Profit for the year</b>	<b>756</b>	<b>221</b>	<b>211</b>
<b>Easysell Limited</b>			
<b>Condensed cash flow statement for the year ended 31 December</b>			
<b>EUR '000</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Net cash from operating activities	374	(265)	391
Net cash from investing activities	(430)	(702)	(1,981)
Net cash from financing activities	55	1,039	1,518
<b>Net movement in cash and cash equivalents</b>	<b>(1)</b>	<b>72</b>	<b>(72)</b>
Cash and cash equivalents at the beginning of year	1	-	72
<b>Cash and cash equivalents at end of year</b>	<b>-</b>	<b>72</b>	<b>-</b>

### Easysell Limited

#### Balance sheet as at 31 December

EUR '000	2015	2016	2017
<b>ASSETS</b>			
Non-current	10,067	10,768	12,749
Current	171	842	756
<b>Total assets</b>	<b>10,238</b>	<b>11,610</b>	<b>13,505</b>
<b>EQUITY</b>			
Total equity	4,826	5,048	5,259
<b>LIABILITIES</b>			
Non-current	4,741	5,854	7,425
Current	671	708	821
Total Liabilities	5,412	6,562	8,246
<b>Total equity and liabilities</b>	<b>10,238</b>	<b>11,610</b>	<b>13,505</b>

The unaudited financial results of the Guarantor for the period ended 31 December 2018, and the comparative financial statements for the period ended 31 December 2017 are set out below:

### Easysell Limited

#### Condensed income statement for the year ended 31 December

EUR '000	2017	2018
	Audited	Unaudited
Revenue	405	421
Cost of sales	-	-
<b>Gross profit</b>	<b>405</b>	<b>421</b>
Other operating income	38	55
Administrative and other operating expenses	(66)	(97)
<b>Operating profit</b>	<b>377</b>	<b>379</b>
Investment income	-	-
Finance costs	(73)	(133)
<b>Profit before tax</b>	<b>304</b>	<b>246</b>
Income tax expense	(93)	(97)
<b>Profit for the year</b>	<b>211</b>	<b>149</b>

### Easysell Limited

#### Cash flow statement for the year ended 31 December

EUR '000	2017	2018
	Audited	Unaudited
Net cash from operating activities	391	347
Net cash from investing activities	(1,981)	(1,851)
Net cash from financing activities	1,518	1,504
<b>Net movement in cash and cash equivalents</b>	<b>(72)</b>	<b>-</b>
Cash and cash equivalents at the beginning of year	72	-
<b>Cash and cash equivalents at end of year</b>	<b>-</b>	<b>-</b>

### Easysell Limited

#### Balance sheet as at 31 December

EUR '000	2017	2018
	Audited	Unaudited
<b>ASSETS</b>		
Non-current	12,749	14,600
Current	756	92
<b>Total assets</b>	<b>13,505</b>	<b>14,692</b>
<b>EQUITY</b>		
Total equity	5,259	5,505
<b>LIABILITIES</b>		
Non-current	7,425	8,767
Current	821	420
Total Liabilities	8,246	9,187
<b>Total equity and liabilities</b>	<b>13,505</b>	<b>14,692</b>

B.13 – B.19 Events relevant to evaluate solvency: Not applicable as there are no recent events particular to the Issuer or the Guarantor which are to a material extent relevant to the evaluation of the Issuer's or Guarantor's solvency.

B.14 – B.19 Dependency on members in the Group: The Issuer is ultimately dependent upon the operations, performance and business prospects of the Guarantor and Center Parc.

B.15 – B.19 Principal activities: The Issuer has been set up as a holding company to hold shares in other companies and to borrow monies which it will in turn lend to companies within its Group. The Guarantor has been set up to own, develop and manage immovable properties primarily for commercial purposes.

B.16 – B.19 Ownership and control: The Issuer is wholly indirectly owned and controlled by Anthony Fenech, as is the Guarantor.

B.17 – B.19 Credit ratings: Not applicable as no credit ratings have been assigned to Issuer or Guarantor or the Bonds at the request or with the cooperation of the Issuer at the rating process.

B.18 Nature and scope of the Guarantee: The Guarantor is appearing jointly and severally with the Issuer to irrevocably and unconditionally guarantee in favour of the Security Trustee for the benefit of the Bond Holders, the due observance and punctual performance of all obligations, duties, undertakings, covenants and conditions by or on the part of the Issuer contained in the Prospectus and to be observed and performed by it, including the prompt and faithful performance of interest and principal due by the Issuer on the Bonds. In order to better guarantee the obligations undertaken by it on the Guarantee, the Guarantor shall constitute in favour of the Security Trustee for the benefit of the Bond Holders the Security for the maximum sum of €20,000,000 plus interests due up to Maturity Date and costs and expenses relating to the protection, preservation, collection or enforcement of the Security Trustee's rights arising under the Security Trust Deed. The Guarantee given by the Guarantor shall remain in full force and effect until all sums due to the Bond Holders are paid in full.

## SECTION C SECURITIES

C.1 Description of the Bonds: The Bonds form part of an issue of 3.75% secured bonds 2029 of a nominal value of €100 per Bond issued by the Issuer up to the principal amount of €20,000,000. An Investor must as a minimum hold a nominal value of €2000 in Bonds. Bonds shall carry interest of 3.75% payable annually and shall be redeemed on the 27<sup>th</sup> June 2029. The Bonds will be issued in fully registered and dematerialized form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer by the CSD. The Bonds will be identified by ISIN: MT0002271204.

C.2 Currency of the Bonds: Euro.

C.5 Restrictions on free transferability: The Bonds are freely transferable and once admitted to the official list of the Exchange shall be transferable in accordance with the rules and regulations of the Exchange.

C.8 Rights attaching to the Bonds: A Bond Holder will have such rights as are attached to the Bonds, including the right to: (a) be repaid the principal; (b) be paid interest on each Interest Payment Date; (c) benefit from the Security over the Secured Asset; (d) attend, participate in and vote at meetings of Bond Holders in accordance with the terms and conditions of the Bond Issue; and (e) such other rights as emanate from the Prospectus.

The Guarantor has secured the repayment of the principal and interest by means of the Guarantee and the Security over the Secured Asset. With respect to the Guarantor, the Bonds shall rank with priority or preference to all other present and future unsecured obligations of the Guarantor, and save for exceptions allowed by law, will have first ranking and priority over the Secured Asset. The Issuer has undertaken to procure that the Guarantor does not give any further charges over the Secured Asset.

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

C.9 **Capital and Interest Payments:** The Bonds shall carry interest at a fixed rate of 3.75% annually from and including the 27<sup>th</sup> June 2019, which shall be payable once annually in arrears on the 27<sup>th</sup> June of each year up to Maturity Date which is 27<sup>th</sup> June 2029. The nominal value of the Bonds shall be paid in full on Maturity Date unless the Bonds are previously repurchased or cancelled.

The gross yield calculated on the basis of the interest payments, the issue price and redemption price of the Bonds, which in both cases is the nominal value per Bond, is of 3.75%.

The last part of this Element C.9 is not applicable since the debt security holders have not appointed a representative.

C.10 **Derivative payment in interest component:-** Not applicable as Interest on the Bonds does not involve a derivative payment.

C.11 **Admission to trading:-** The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated 3<sup>rd</sup> June 2019. Application has been made to the Exchange for the Bonds to be admitted to listing on its official list. The Bonds are expected to be admitted to listing with the Exchange on 28<sup>th</sup> June 2019 and to commence trading on 1<sup>st</sup> July 2019.

## SECTION D RISKS

**D.2 Key risks specific to the Issuer:** Holding a bond involves certain risk. Prior to any decision to invest in the Issuer, potential investors should carefully read and assess the following general and specific risks and all other information contained in the Prospectus and consult with their own professional advisors before purchasing the Bonds.

If these risks materialise, individually or together with other circumstances, they may substantially impair the business of the Group and have material adverse effects on the Group's business prospects, financial condition or results of operations and the price of the Issuer's Bonds may decline, causing investors to lose all or part of their invested capital.

**Forward Looking Statements** - This Prospectus may contain forward-looking statements, including (without limitation) statements identified by the use of terminology such as 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'projects', 'will', 'would' or similar words. These statements are based on the Issuer's current expectations and projections about future events and involve substantial uncertainties. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements.

**Tax Risks** - The Group's tax burden may increase as a consequence of current or future tax assessments, tax audits or court proceedings based on changes in tax laws or changes in its application or interpretation.

**Difficulties in Replacing Key Personnel** - The success of the Group depends on the performance of its key personnel. Any change without a good replacement could impair the Group's management.

**Damages or Interruptions to the Group's Information Technology System** - Any interruptions in, failure of or damage to the Group's proprietary information system could lead to business process delays or interruptions.

**Legal and Regulatory Risks** - The Group's business is subject to the general legal environment in Malta which may change to its detriment.



***Litigation, Administrative Proceedings and Similar Claims*** - Entities of the Group have been and probably will be in the future subject to administrative and legal proceedings in the ordinary course of business.

***No trading past*** - The Issuer has only recently been incorporated and therefore has no trading past. There is likewise no trading history with respect to the Properties other than in so far as concerns part of the Secured Asset. The financial information contained in the Prospectus is thus not based on historic figures, albeit largely based on executed lease agreements.

***Dependence of Issuer on its Subsidiaries*** - The Issuer is a holding company that does not conduct its operative business itself but does so through its Subsidiaries, and is thus dependent on them. If the Subsidiaries are unable to generate positive cash flows from their operating activities in the future, the Subsidiaries could be forced to sell the Properties irrespective of the market situation, and possibly on terms unfavourable to the Group, or borrow money on financially unattractive terms.

***Minority Third Party Interests in Center Parc*** - The Issuer through the Subsidiaries' Holding does not own all shares, and does not hold all voting rights, in Centre Parc, and is to an extent exposed to influence by other shareholders which may limit the Group's flexibility to implement its strategy.

***Preference Shares*** - The Issuer will be using some of the proceeds of the Bond Issue to fund the allotment of Preference Shares in the Subsidiaries' Holding. Payment of annual interest on preference shares issued by the Subsidiaries' Holding is subject to the company making distributable profits, and the directors approving the distribution. Ordinary and secured creditors of the Subsidiaries' Holding will rank prior to the re-payment of the Preference Shares in case of an insolvent winding up.

***Dependence on Demographic and Economic Developments in Malta*** - The Subsidiaries are property owning companies dependent on tenancies, and so their business activities are affected by demographic, economic and political factors, which may effect property prices and rent levels, turnover and vacancy rates.

***Dependence on Full Occupancy of its Properties and Increasing Rent*** - The commercial success of the Group depends significantly on its ability to retain high occupancy rates, reducing operating costs whilst increasing rent levels, which may be influenced by various factors.

***Exposure to Risks Related to the Maintenance and Repair of the Properties*** - The Subsidiaries need to maintain the Properties in good condition. The Subsidiaries could have underestimated the amount to be invested for the targeted maintenance as costs may increase due to various factors.

***Exposure to Risks due to Delays*** - The Properties are still undergoing construction (other than for parts of the Secured Asset that are already rented out). Commencement of operations may be delayed for a number of reasons, pushing back commencement of tenancies.

***Losses Exceeding Insurance Coverage*** - The Properties held by the Subsidiaries are insured against losses to the extent usual for its business. The insurance policies are however subject to exclusions and limitations of liability which limit coverage. In addition, insurers could become insolvent.

***Standardized Contracts could lead to Additional Legal Risks*** - The Subsidiaries maintain legal relationships with a large number of persons, primarily tenants, and mainly use standard form contracts. If these contain invalid clauses, these may be substituted by provisions which are unfavourable to the Subsidiaries.

***Single Tenant Risk*** - A significant portion of revenue generated from the Subsidiaries' portfolio may be dependent on key tenants occupying a significant portion of a Property. Defaulting by a key or single tenant is likely to significantly impact the Group's revenue.

***Property Valuations*** - Valuation of property is intrinsically subjective and based on a number of assumptions at a given point in time, and there can be no assurance that any such property valuations and property-

related assets will reflect actual market values. In addition, property valuations are influenced by a variety of factors such as changes in regulatory requirements and applicable laws, political and social conditions, the financial markets, consumer spending power, and interests and inflation rate fluctuations. Thus the market value of the Secured Asset may be different from the actual value it may obtain in future.

**Competition** - An increase in supply and/or a reduction in demand in the property market in which the Subsidiaries operate, may as a result of competition in the market, result in parts of the Properties remaining vacant or being leased out at prices which are lower than what is being anticipated by the Subsidiaries once the current tenancies expire.

**Financial Risks** - The Group may require additional funds to finance or refinance its debt, capital expenditures, future acquisitions and working capital requirements. The Group's ability to meet its capital requirements will depend on future operating performance and ability to generate cash flows. There can be no assurance that the Group will be able to obtain additional financing on acceptable terms when required.

**Group Borrowings** - The Group will be able to incur additional amounts of debt, which could further exacerbate the risks associated with their indebtedness. Lending by the banks for the purpose of acquiring and developing properties are usually secured by first-ranking charges in favour of the lending bank. If an entity in the Group defaults under the loan, it could be forced to sell the respective property under unfavourable conditions. To the extent that a company within the Group provides its assets as security for indebtedness without also securing the Bond Issue, the secured debt will effectively be senior to the debt financed by the proceeds of the Bond Issue. Also preferred creditors will be paid before shareholders.

### **D.3 Key risks specific to the Bonds:**

**Suitability of the Bonds** - Each potential investor of the Bonds must determine the suitability of his/her investment in the light of his/her own circumstances. The Bonds may not be a suitable investment for all investors.

**Liquidity of the Bond Market** - A liquid market for the Bonds may not develop, or if it does, it may not continue. The fact that the Bonds will be listed on the Exchange will not necessarily lead to greater liquidity. In an illiquid market, an investor is subject to the risk that it will not be able to sell the Bonds at any time at fair market prices.

**Redemption Before Maturity** - If the Bonds are redeemed prior to Maturity Date, an investor is exposed to the risk of a lower yield than expected.

**Creditworthiness of the Group** - If any of the risks regarding the Issuer and the Group materialize, the likelihood that the Issuer will be in a position to fully perform all obligations under the Bonds when they fall due decreases, and therefore the market value of the Bonds may suffer. In addition, even if the Issuer is able to fully perform all obligations under the Bonds when they fall due, market participants could nevertheless have a different perception.

**Independent Credit Rating** - The Issuer has not sought, and does not intend to seek any credit rating.

**Currency Risk** - The Bonds are denominated in Euro. If such currency represents a foreign currency to a Bond Holder, such Bond Holder is particularly exposed to the risk of currency changes which may affect the yield of such Bonds. The imposition of exchange controls could also adversely affect an applicable currency exchange rate.

**Market Value of the Bonds Dependent on Market Interest Rates** - The Bonds have a fixed rate of interest which carries the risk that the prices of the Bonds can fall as a result of changes in the interest rate on the market.

**Changes in Circumstances** - No prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time.

**Subsidiaries' Inability to Generate Sufficient Cash Flows** - The Issuer's ability to make scheduled payments on, or to refinance its obligations with respect to its indebtedness, including the Bonds, will depend on its Subsidiaries' financial and operating performance, which in turn will be affected by factors beyond its control. If the Subsidiaries are unable to generate sufficient cashflow to satisfy the Issuer's debt obligations, the Issuer may have to undertake alternative financing plans. Refinancing may not be possible, it may be difficult to sell any assets or, if sold, at unfavourable conditions, or additional financing may not be able to be obtained on acceptable terms.

**Insufficient Proceeds on the Security** - The Bonds will be secured by the Security. The amount to be received upon an enforcement of the Security would be dependent on numerous factors affecting the value of the Secured Asset at the time of its enforcement and the proceeds from the enforcement of the Security may not be sufficient to repay the obligations under the Bonds.

**No Direct Enforcement of the Security** - The Security that will secure the obligations of the Issuer under the Bonds will not be directly granted to the Bond Holders but will be granted in favour of the Security Trustee who has the sole right to enforce the Security.

**Preferences at Law** - Notwithstanding that the Security in relation to the Guarantor shall rank first over the Secured Asset (save for a special privilege secured ground rent), and shall rank with priority over present and future unsecured obligations of the Guarantor, there can be no guarantee that privileges accorded by law in specific situations rank with priority or preference to the Security.

**Conditions to which the Bond Issue is Subject** - The issue and allotment of the Bonds is conditional upon the Bonds being admitted to the official list of the Exchange by no later than 28<sup>th</sup> June 2019 and on the Security being constituted in favour of the Security Trustee.

**Changes to Conditions** - The Conditions may be changed by agreement with the Bond Holders. A Bond Holder is subject to the risk of being outvoted by a majority resolution of the Bond Holders or being bound by a decision of a meeting that he elected not to attend. In addition, certain rights of Bond Holders against the Issuer or the Guarantor under the Conditions may be amended or reduced or even cancelled under such a resolution.

**Change in Law** - The Conditions of the Bonds are based on Maltese Law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in applicable law or administrative practice after the date of this Prospectus.

**Discontinuation of Listing** - Even after the Bonds are admitted to trading on the Exchange, the Issuer is required to remain in compliance with certain requirements relating *inter alia* to the free transferability, clearance and settlement of the Bonds in order to remain a listed company in good standing. The Listing Authority has the authority to suspend trading or listing of the Bonds or to discontinue the listing of the Bonds on the Exchange.

## SECTION E OFFER

E.2b Reason for the offer and use of proceeds: The proceeds from the Bond Issue, amounting to €20,000,000, after deduction of fees and other expenses incurred in connection with the Bond Issue which are expected to be in the region of €400,000 will be used as follows:- (a) the Issuer will subscribe to the Preference Shares in the Subsidiaries' Holding. Out of the capital proceeds received from the issuance and allotment of the Preference Shares which depending on the costs of the Bond Issue are expected to be in the region of €6,350,000, the Subsidiaries' Holding will grant the sum of €4,500,000 on loan to the Guarantor for

the purpose of repaying the debt due to the Bank and settling any outstanding development costs relating to the Secured Asset. The balance of proceeds received by the Subsidiaries' Holding through the issuance and allotment of the Preference Shares following the grant of the loan to Guarantor as aforesaid, which is expected to be in the region of €1,850,000, shall be used by it as general working capital; (b) the Issuer shall grant the sum of €13,250,000 on loan to the Subsidiaries' Holding, which will in turn grant the said sum on loan to Center Parc for the purpose of repaying all amounts due to the Bank and to finance remaining development costs relating to the Center Parc Property.

The Subsidiaries will thus settle all liabilities with the Bank as lender, which will in turn cancel all securities it currently has on Guarantor's Property and the Center Parc Property, leaving them free and unencumbered, save for a special privilege securing the ground rent over the Secured Asset.

Interest on the Bond will be paid from the interest earned by the Issuer on the Preference Shares it holds in the Subsidiaries' Holding and on the Issuer's Loan. The principal on the Bonds shall likewise be repaid from the redemption of the Preference Shares and the repayment of the Issuer's Loan. These will in turn be funded from rental income generated by Center Parc which will be utilized by Center Parc to pay the loan granted to it by the Subsidiaries' Holding, and from rental income generated by the Guarantor which it will distribute as dividends in favour of the Subsidiaries' Holding as its sole shareholder.

The Preference Shares (which are expected to amount to €6,350,000 in share capital) will be the amount of proceeds of the Bond less €13,250,000 to be given on loan to Center Parc, less around €400,000 representing expenses incurred in issuing the Bonds. These will be issued and allotted to the Issuer subject to the following terms and conditions:- (a) as fully paid up cumulative preference shares bearing a fixed annual dividend of 3.75%; (b) redeemable at par by the Subsidiaries' Holdings at any time but by not later than ten (10) years from their date of issue; (c) capital and interest due on the Preference Shares in a winding up or otherwise shall be paid before all other shares in the Subsidiaries' Holding including preference shares subsequently issued, but shall not be eligible to participate in any surplus of its assets; (d) they shall not confer a right to receive notice of or attend or vote at general meetings unless the fixed annual dividend payable on the Preference Shares is in arrears; (e) all other applicable terms and conditions referred to in the memorandum and articles of association of the Subsidiaries' Holding.

The Subsidiaries' Holding shall pay interest at 3.75% per annum on the loan granted to it by the Issuer. The principal amount of €7,250,000 shall be repaid in equal installments over a 9 year period commencing from the first Interest Payment Date; the balance of €6,000,000 shall be repaid in a lump sum payment one week prior to Maturity Date. The loan granted by the Subsidiaries' Holding to Center Parc shall be repaid in the same manner. All receivables in the form of rent raised by Center Parc from the lease of the Center Parc Property, shall be pledged in favour of the Subsidiaries' Holding.

The loan granted to the Guarantor is interest free. The principal shall be repayable on demand and in any case not later than one week prior to Maturity Date. The Guarantor shall repay the loan through dividend distributions.

These loans shall be subject to the admission of the Bond Issue to trading on the official list of the Exchange and to the Guarantor granting the Security in favour of the Security Trustee pursuant to the Security Trust Deed.

The Security Trustee shall ensure that the proceeds of the Bond issue are utilised for the purposes aforementioned.

**E.3 Terms and conditions of the Offer:** The Issuer has entered into Subscription Agreements with the Authorised Financial Intermediaries, whereby the Issuer bound itself to issue and the Authorised Financial Intermediaries bound themselves to subscribe for the full amount of the Bond Issue, subject to the Bonds being admitted to listed on the Exchange and the Security being created in favour of the Security Trustee on behalf of the Bond Holders in accordance with the Security Trust Deed.

The following is a summary of the general terms and conditions of the Bond. A bond Holder shall be deemed to have invested only after having received, read or understood the contents of the Prospectus, including the full terms and conditions contained therein and the annexes thereto.

*Form, Denomination, Title* - The entitlement to the Bonds will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer by the CSD. A Bond Holder shall have the right at reasonable times to access the register of Bond Holders held at the CSD for inspecting information held in its respect. Upon request, the CSD shall issue a Bond Holder a statement evidencing the registration of the Bonds in his name. The Bonds will be issued in fully registered form without interest coupon, in denominations of integral multiples of €100. The minimum subscription amount of Bonds that can be subscribed for by an Applicant is €2000. The Bonds shall be in Euro. Any person in whose name the Bonds are registered may (to the fullest extent allowed by law) be deemed and treated at all times by all persons and for all purposes (including the making of any payments), as the absolute owner of the Bond.

*Interest* - The Bonds shall bear interest from the Closing Date at the rate of 3.75% per annum calculated by reference to the principal amount thereof and payable annually in arrears on the Interest Payment Date.

*Status and Security* - The Bonds, as and when issued and allotted, shall constitute the general, direct and unconditional obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference amongst themselves. The Guarantor has secured the repayment of the principal and interest by means of the Guarantee and the Security in favour of the Security Trustee for the interest of the Bond Holders. With respect to the Guarantor, the Bonds shall rank with priority or preference to all other present and future unsecured obligations of the Guarantor, and save for exceptions allowed by law, will have first ranking and priority over the Secured Asset.

*Payments of Principal and Interest* - Payment in Euro of principal in respect of the Bonds and payment of accrued interest payable on redemption of the Bonds (other than on an Interest Payment Date) will be made to the person in whose name the Bonds are registered at close of business on Record Date. Payments of interest on any Interest Payment Date will be made to the persons registered at close of business on the Record Date. Payment in all cases will be made within 10 Business Days from the relevant Interest Payment Date.

*Redemption* - The Bonds will be redeemed at par on Maturity Date. The Bonds will only be redeemed prior to the Maturity Date at the option of the Bond Holder upon a Change of Control or where acquired by the Issuer itself or a member of the Group or the Parent Company as provided for in the Prospectus.

*Event of Default* - The Security Trustee may in its absolute discretion and shall, if so requested in writing by the holders of at least 75% in nominal value of the Bonds outstanding, give notice in writing to the Issuer and the Guarantor that the Bonds are, and they shall accordingly thereby immediately become, due and repayable at their principal amount, together with accrued interest as at such date, if any of the following events (each an Event of Default) shall have occurred and be continuing:- (a) the Issuer fails to pay the principal amount or any interest on any of the Bonds when due and such failure continues for a period of 60 days in the case of the principal and 30 days in the case of the interest after written notice thereof is given by the Security Trustee to the Issuer and/or Guarantor; (b) the Issuer and/or Guarantor does not perform or comply with any one or more of its other obligations in respect of the Bonds or the Security Trust Deed and such default is incapable of remedy or, if (in the opinion of the Security Trustee) is capable of remedy, is not (in the opinion of the Security Trustee) remedied within 30 days after the Issuer and/or Guarantor shall have received from the Security Trustee written notice of such default; (c) If: (i) any Indebtedness of the Issuer or Guarantor becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Issuer or Guarantor fails to make any payment in respect of any Indebtedness on the due date for payment as extended by any applicable grace period; (iii) any security given by the Issuer or Guarantor for any Indebtedness is enforced; (iv) default is made by the Issuer or Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness of any other person; (d) if: (i) an attachment, execution or other legal process is levied, enforced or sued out on or against all or any substantial part of the assets of the Issuer and/or the Guarantor and/or the Subsidiaries' Holding and is not discharged or stayed

within 90 days or such longer period as may be permitted by the Security Trustee in its sole discretion; or (ii) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalization of all or a material part of the assets of the Issuer or the Guarantor or the Subsidiaries' Holding; (e) any step is taken to enforce any security interest, present or future, created or assumed by the Issuer or the Guarantor or the Subsidiaries' Holding and is not stayed within 60 days; (f) bankruptcy, insolvency, voluntary or court liquidation, composition with creditors, reorganisation or similar affecting the rights of creditors generally are opened against the Issuer and/or Guarantor and/or the Subsidiaries' Holding or a provisional administrator, official receiver or liquidator is appointed in respect of the Issuer and/or Guarantor and/or Subsidiaries' Holding; (g) the Issuer or the Guarantor admits inability to pay its debts as they fall due, or is deemed unable to pay its debts pursuant to or for the purpose of any applicable law; (h) an order is made or a resolution is passed for the winding up or dissolution of the Issuer or the Guarantor, or the Issuer or Guarantor has passed a resolution to have itself wound up or has made an announcement or issued a notice to that effect, or the Issuer or Guarantor ceases or publicly announces an intention to cease to carry on all or substantially all of its business or operations, except in any such case: (i) any sale or transfer of all, or substantially all, of the assets of the Issuer to another entity (whether by operation of law or otherwise); (ii) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation; or (iii) in the case of a Subsidiary, whereby the undertaking and assets of the Subsidiary are transferred to or otherwise vested in the Issuer or another member in the Group; (i) a final judgement or judgements for the payment of money exceeding €2,000,000 in aggregate, are rendered against the Issuer or the Guarantor, and which judgements are not, within 30 days after entry thereof, discharged or stayed pending appeal, or are not discharged within 30 days after the expiration of such stay; (j) the Issuer or Guarantor substantially changes the object or nature of its business as currently carried on; (k) any representation or warranty made or deemed to be made by or in respect of the Issuer or Guarantor is or proves to be incorrect in any material respect; (l) any consent, permit, authorization, licence or approval of, or registration with, or declaration to governmental, statutory or public bodies, or authorities or courts, required by the Issuer in connection with the Bonds or by the Subsidiaries in connection with the carrying out of their business or in connection with the Properties is not granted or if granted is substantially modified or revoked or not renewed or otherwise ceases to be in full force and effect; (m) following a period of 60 days where Issuer and/or Guarantor are affected by an event of Force Majeure; (n) the Issuer and/or the Guarantor are in material breach of the Security Trust Deed.

*Transfer* - The Bonds are freely transferable and once admitted to the official list of the Exchange shall be transferable in accordance with the rules and regulations of the Exchange. All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable laws and regulations. Transfers or transmissions shall not be registered for a 15 Business Day period preceding any Interest Payment Date.

*Maintenance of Unencumbered Assets* - The Issuer undertakes to procure that the Guarantor does not give any further charges over the Secured Asset even if these rank after those registered in favour of the Security Trustee for the benefit of the Bond Holders.

*Modification and Waiver* - The amendment of the Conditions (save for that relating to the Security Trustee) may only be made with the approval of Bond Holders at a meeting held for the purpose by a prescribed majority.

*Governing Law and Jurisdiction* - The Security Trust Deed, the Bond Issue, the Guarantee and the Security and any non-contractual obligations arising out of or in connection therewith are governed by, and shall be construed in accordance with Maltese Law. The Courts of Malta shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection therewith.

E.4 Interests: Save for the subscription of the Bonds by the Authorised Financial Intermediaries, the repayment to the Bank of all amounts due to it on loan agreements by Center Parc and the Guarantor, and any fees payable in connection with the Bond Issue to the Sponsor, Manager and Registrar, so far as the Issuer is aware, no person involved in the Bond issue has a material interest in the Bond Issue.

E.7 Estimated expenses: professional fees, costs related to publicity, advertising, printing, listing, registration, sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond are estimated not to exceed €400,000.

#### **Expected Time-Table of the Bond Issue**

<b>1</b>	Offering period	12 <sup>th</sup> June 2019 (from 08:30 CET) to 26 <sup>th</sup> June 2019 (by 12:00 CET)
<b>2</b>	Commencement of interest	27 <sup>th</sup> June 2019
<b>3</b>	Expected Date of Constitution of the Security	28 <sup>th</sup> June 2019
<b>4</b>	Expected date of admission of the Bonds to listing	28 <sup>th</sup> June 2019
<b>5</b>	Expected date of commencement of trading in the Bonds	1 <sup>st</sup> July 2019