SUMMARY

DATED 6 DECEMBER 2021

This Summary is prepared in accordance with the requirements of Chapter 4 of the Capital Markets Rules issued by the Malta Financial Services Authority and in accordance with the provisions of the Prospectus Regulation and the delegated acts issued thereunder. This Summary contains key information which investors require in order to understand the nature and the risks of the Issuer and the Secured Bonds. Except where the context otherwise requires, the capitalised words and expressions used in this Summary shall bear the meanings assigned to them in the Registration Document and the Securities Note, as the case may be.

In respect of an Issue of

UP TO €21,000,000 IN 3.90% SECURED BONDS 2024 – 2026
OF A NOMINAL VALUE OF €100 PER SECURED BOND ISSUED AT PAR

BY

GAP GROUP P.L.C.
(C 75875)

WITH THE JOINT AND SEVERAL GUARANTEE OF
GAP QM LIMITED (C 96686) AND GAP QAWRA LIMITED (C 100513)

Legal Counsel to the Sponsor, Manager & Registrar	Legal Counsel to the Issuer	Security Trustee	Sponsor, Manager & Registrar
CAMILLERI PREZIOSI ADVOCATES	**Dr Chris Cilia**	EQUINOX INTERNATIONAL LIMITED	MZ INVESTMENT SERVICES

YOU ARE ABOUT TO PURCHASE SECURITIES THAT ARE NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND. THIS SUMMARY HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY, AS COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ONLY APPROVED THIS SUMMARY AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER AND THE SECURITIES THAT ARE THE SUBJECT OF THIS SUMMARY.

THIS SUMMARY IS VALID FOR A PERIOD OF TWELVE (12) MONTHS FROM THE DATE THEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THIS SUMMARY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

APPROVED BY THE BOARD OF THE DIRECTORS

George Muscat **Paul Attard**

signing in their own capacity as directors of the Issuer and on behalf of each of
Mark Castillo, Chris Cilia, Francis X Gouder and Adrian Muscat as their duly appointed agents.

1. INTRODUCTION AND WARNINGS

This Summary contains key information on the Issuer, the Guarantors and the Secured Bonds, summarised details of which are set out below:

Issuer	Gap Group p.l.c., a public limited liability company registered in Malta with company registration number C 75875 and legal entity identifier (LEI) number 213800NHMAPF7JZ8CO50.
Address	Gap Holdings Head Office, Ċensu Scerri Street, Sliema SLM 3060, Malta.
Telephone number	+356 23271000.
Website	http://www.gap.com.mt
Competent authority approving the Prospectus	The MFSA, established in terms of the Financial Markets Act (Chapter 345 of the laws of Malta).
Address	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara, Malta, CBD 1010.
Telephone number	+356 2144 1155.
Website	https://www.mfsa.mt/
Name of the securities	3.90% Secured Bonds due 2024 – 2026.
ISIN number of the Secured Bonds	MT0001231233
Prospectus approval date	6 December 2021

Prospective investors are hereby warned that:

(i) this Summary should be read as an introduction to the Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the Secured Bonds being offered pursuant to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this document;
(ii) any decision of the investor to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;
(iii) an investor may lose all or part of the capital invested in subscribing for Secured Bonds;
(iv) where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and
(v) civil liability attaches only to those persons who have tabled the Summary including any translation thereof but only if the Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate, or inconsistent or does not provide key information in order to aid investors when considering whether to invest in the Secured Bonds.

2. KEY INFORMATION ON THE ISSUER

2.1. Who is the Issuer of the Securities?

2.1.1. Domicile and legal form, its LEI and country of incorporation

The Issuer is Gap Group p.l.c., a public limited liability company registered in Malta in terms of the Companies Act. The Issuer was incorporated and is domiciled in Malta, with LEI number 213800NHMAPF7JZ8CO50.

2.1.2. Principal Activities of the Issuer

The Issuer is a holding company which, through its Subsidiaries, is involved in the acquisition and development of real estate properties. The Issuer does not carry out any trading activities of its own and is mainly dependent on the business prospects of its operating Subsidiaries. Following the success achieved in other development projects, including developments in Għargħur, Qawra, Luqa and Mellieħa, the Issuer through the Subsidiary GQM, is in the process of developing two sites; the Qawra II Development and the Mosta Development. The Qawra II Development, once completed, shall comprise 80 residential units and 90 lock-up garages, whilst the Mosta Development, once completed, shall consist of a total of 94 residential units, four commercial outlets and 109 car spaces. Moreover, through a newly incorporated Subsidiary (GQL), the Issuer is in the process of acquiring and subsequently developing an additional site located in Qawra into the Qawra III Development. The project to be undertaken in Qawra shall entail the construction, development and finishing of a total of 46 residential units, comprising a mix of two and three bedroomed units and 58 lock-up garages, spread over three blocks.

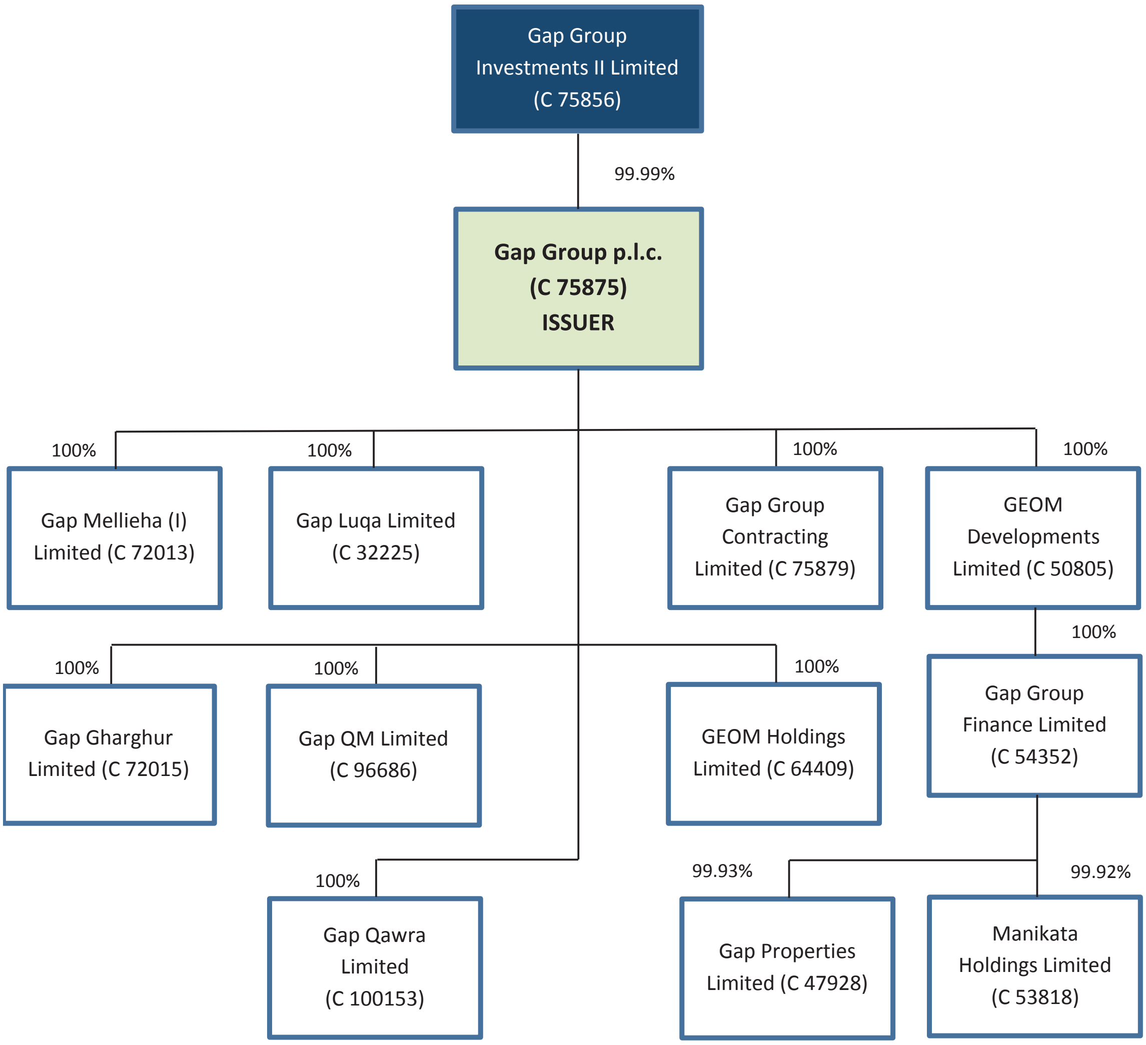
The Issuer has the following debt securities listed on the Official List of the Malta Stock Exchange:

i. €19,247,300 4.25% secured Bonds 2023 (ISIN: MT0001231209) (the "**2016 Bonds**")
ii. €29,218,400 3.65% secured bonds 2022 (ISIN: MT0001231217) (the "**2019 Bonds**")
iii. €21,000,000 3.70% secured bonds 2023 – 2025 (ISIN: MT0001231225) (the "**2020 Bonds**")

A reserve account is maintained by the security trustee of the 2016 Bonds, the 2019 Bonds and the 2020 Bonds. The amounts contained in each reserve account maintained by the Security Trustee as at 31 October 2021 were as follows:

2016 Bonds (€'000)	2019 Bonds (€'000)	2020 Bonds (€'000)
19,316	22,540	Nil

2.1.3. *Organisational Group Structure*



2.1.4. *Major Shareholders of the Issuer*

The Issuer's majority shareholder is Gap Group Investments II Limited (C 75856), which is the holder of 99.99% of the issued share capital of the Issuer. Paul Attard, Adrian Muscat, and George Muscat hold equal shares in Gap Group Investments II Limited and, accordingly, are the indirect ultimate owners of the Group.

2.1.5. *Key Managing Directors*

The Board of Directors of the Issuer is composed of the following persons: George Muscat (Chairman and Executive Director), Paul Attard (Executive Director), Adrian Muscat (Executive Director), Francis X. Gouder (Independent Non-Executive Director), Mark Castillo (Independent Non-Executive Director) and Chris Cilia (Independent Non-Executive Director).

2.1.6. *Statutory Auditors*

The auditor of the Issuer for the financial year ended 31 December 2018 is Emanuel P. Fenech of 1, Tal-Providenza Mansions, Main Street, Balzan BZN 1254, Malta. The Accountancy Board registration number of Mr Fenech is AB/2/17/22.

The auditors of the Issuer for the financial year ended 31 December 2019 are EFS Audit Limited of 1, Tal-Providenza Mansions, Main Street, Balzan BZN 1254, Malta. The Accountancy Board registration number of EFS Audit Limited is AB/2/19/19.

The auditors of the Issuer for the financial year ended 31 December 2020 and as of the date of this Prospectus, are TACS Malta Limited of 1, Tal-Providenza Mansions, Main Street, Balzan BZN 1254, Malta. The Accountancy Board registration number of TACS Malta Limited is AB/2/17/22.

2.2. What is the key financial information regarding the Issuer?

The key information regarding the Issuer on a consolidated basis is set out below:

Income Statement	**FY2020**	**FY2019**	**FY2018**	**6-month period ended 30 Jun'21**	**6-month period ended 30 Jun'20**
Operating profit (€'000)	9,019	6,137	6,996	6,664	3,672

Statement of Financial Position	**FY2020**	**FY2019**	**FY2018**	**30 June 2021**
Net financial debt (€'000)	52,220	39,510	19,145	41,169
Breakdown as follows:				
Borrowings and other financial liabilities (€'000)	8,894	8,751	123	13,629
Debt securities (€'000)	69,864	56,991	39,473	68,903
Investments and sinking fund (€'000)	(24,478)	(18,534)	(19,827)	(38,699)
Cash and cash equivalents (€'000)	(2,060)	(7,698)	(624)	(2,664)

Cash Flow Statement	**FY2020**	**FY2019**	**FY2018**	**6-month period ended 30 Jun'21**	**6-month period ended 30 Jun'20**
Cash flows from (used in) operating activities (€'000)	(10,862)	(20,317)	7,489	14,131	2,217
Cash flows from (used in) financing activities (€'000)	3,620	27,395	(1,285)	1,037	(3,546)
Cash flows from (used in) investing activities (€'000)	507	(1,206)	6,939	(6,162)	185

2.3. What are the key risks that are specific to the Issuer?

The most material risk factors specific to the Issuer, which may negatively impact the operations and financial position of the Issuer should the circumstances mentioned therein materialise, are as follows:

2.3.1. Risks associated with the dependency of the Issuer on the performance of its Subsidiaries

As a finance and holding company, the majority of the Issuer's assets consist of loans granted to its Subsidiaries and shares held in the Subsidiaries, with the only revenue generating activities of the Issuer being the receipt of interest income on funds advanced to its Subsidiaries and dividends received from its Subsidiaries. The Issuer is thus economically dependent on the operational results, the financial position, and the financial performance of its Subsidiaries.

2.3.2. Risks relating to the loss of senior management and other key personnel

The Group believes that its growth is partially attributable to the efforts and abilities of the members of its executive management team and other key personnel. Moreover, if one or more of the members of this team 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 a material adverse effect on the Group's business, financial condition, and results of operations.

2.3.3. Risks relating to the economic repercussions of coronavirus ("COVID-19")

As a result of the spread of COVID-19, global economic activity, including in Malta, has experienced a general downturn. The Group's revenue generated from its property development activities may be negatively impacted through a reduction in price of units held for resale, as well as the risk of a downward shift in demand, frequency, and volume of such transactions. The Group's business development and day-to-day operations may also be delayed or abandoned due to directives issued by the relevant public and health authorities.

2.3.4. Risks associated with the acquisition, development, and sale of property

Property acquisition and development is subject to several specific risks including: (i) the risk of delays, including delays (and, or refusals) in obtaining any necessary permits and cost overruns; (ii) the risk of sales transactions not being affected at the prices and within the timeframes envisaged; (iii) general industry trends, including the cyclical nature of the real estate market, economic depressions, increased competition and a change in market conditions; (iv) the possibility of delays pursuant to a strain on the availability of human and capital resources required for such projects; and (v) extensive regulation and administrative requirements which relate to, among other things, planning, developing, land use, local urban regeneration strategy, fire, health and safety, and others. The occurrence of any of foregoing could have a material adverse effect on the Group's business, financial condition, and results of operations, including the increase of projected costs and times for completion of ongoing development projects. Moreover, whilst the Group has no immediate or current plans for the development and, or sale of Portion B, there is no guarantee that Portion B shall be disposed of at the carrying value at the time and within the timeframes envisaged.

2.3.5. Risks associated with property valuations and net realisable value

Notwithstanding the preparation of valuations by an independent qualified architect, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. Accordingly, property valuations are largely dependent on current and, or, expected market conditions which are susceptible to fluctuation and therefore, there can be no assurance that such property valuations will reflect actual market values. Furthermore, the Group may purchase and, or have purchased property on the basis of inaccurate valuations.

2.3.6. Risks associated with the engagement and, or the involvement of service providers and associated counterparty risks

The project companies forming part of the Group rely upon service providers such as architects, building contractors and suppliers for the construction and completion of each of its developments. The Guarantors have engaged the services of GGCL for the purposes of the Mosta Development, the Qawra II Development and the Qawra III Development. This gives rise to counter-party risks in those instances where such service providers do not perform in line with the Group's expectations and contractual obligations.

3. KEY INFORMATION ON THE SECURITIES

3.1. What are the main features of the Securities?

The Secured Bonds are being issued in an aggregate amount of up to €21,000,000 with a nominal value of €100 per Secured Bond issued at par and redeemable on 30 December 2026 or, at the sole option of the Issuer, any date falling between 30 December 2024 and 29 December 2026. The Secured Bonds bear interest at the rate of 3.90% per annum on the nominal value of the Secured Bonds.

The Secured Bonds shall be issued in fully registered and dematerialised form and shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Secured Bonds shall have the following ISIN: MT0001231233. The Secured Bonds shall be freely transferable.

The Secured Bonds 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 by the Guarantors. The Secured Bonds shall at all times rank *pari passu* without any priority or preference among themselves. The Secured Bonds are secured by the following collateral constituted in favour of the Security Trustee for the benefit of Bondholders:

(i) the third ranking general hypothec for the full nominal value of the Secured Bonds and interest thereon over all the present and future property of the Issuer;
(ii) the second ranking general hypothec for the full nominal value of the Secured Bonds and interest thereon over all the present and future property of GQM;
(iii) the first ranking general hypothec for the full nominal value of the Secured Bonds and interest thereon over all the present and future property of GQL;
(iv) the second ranking special hypothec granted by GQL for the full nominal value of the Secured Bonds over each of the Mosta Site (and any developments and constructions thereon) and the Qawra Site I (and any developments and constructions thereon);
(v) the first ranking special hypothec for the full nominal value of the Secured Bonds and interest thereon over Qawra Site III (and any developments and constructions thereon) and the first ranking special privilege granted by GQL over Qawra Site III (and any developments and constructions thereon) for the amount of €8 million; and
(vi) the Pledge Agreements.

There are no special rights attached to the Secured Bonds other than the right of the Bondholders to (i) attend, participate in and vote at meetings of Bondholders in accordance with the terms and conditions of the Secured Bonds; (ii) payment of capital and interest in accordance with the ranking of the Secured Bonds; (iii) the benefit of security interest through the Security Trustee; and (iv) such other rights attached to the Secured Bonds emanating from the Securities Note.

3.2. Where will the securities be traded?

Application has been made to the MSE for the Secured Bonds to be listed and traded on its Official List.

3.3. Is there a guarantee attached to the securities?

The Secured Bonds are guaranteed by the Guarantors on a joint and several basis (the "**Guarantees**") which shall become effective upon the admission to listing of the Secured Bonds on the Official List of the MSE. The Guarantees shall constitute a direct, unsecured, and unconditional obligation of each of the Guarantors. Accordingly, the Security Trustee, for the benefit of the Bondholders, shall be entitled to request each of the Guarantors to pay both the interest due and the principal amount under the Secured Bonds on first demand, if the Issuer fails to meet any amount, when due in terms of the Prospectus. The joint and several Guarantees also entitles the Security Trustee to take action against the Guarantors without having to first take action against the Issuer.

3.4. The Guarantors

The Guarantors are GAP QM Limited (C 96696) ("**GQM**") and GAP Qawra Limited (C 100513) ("**GQL**").

GQM was established on 23 September 2020 as a single member private limited liability company registered in Malta in terms of the Companies Act, with company registration number C 96696. GQM has LEI number 485100R9R2JF5F7NWI08. GQM was established as a special purpose vehicle for the purpose of acquiring and development the Mosta Development and the Qawra II Development. GQM has not prepared its first set of audited accounts which will cover the period 23 September 2020 to 31 December 2021. Accordingly, the key financial information of GQM is set out below:

Income Statement	**23 Sep'20 to 30 Jun'21**
Operating loss (€'000)	(1)

Statement of Financial Position	**30 June 2021**
Net financial debt (€'000)	17,168
Breakdown as follows:	
Borrowings and other financial liabilities (€'000)	17,172
Cash and cash equivalents (€'000)	(4)

Cash Flow Statement	**23 Sep'20 to 30 Jun'21**
Cash flows from (used in) operating activities (€'000)	(17,168)
Cash flows from (used in) financing activities (€'000)	17,172
Cash flows from (used in) investing activities (€'000)	-

GQL was established on 20 October 2021 as a single member private limited liability company registered in Malta in terms of the Companies Act, with company registration number C 100513. GQL has LEI number 485100SHR9VNI0MTLL46. GQLwas established as a special purpose vehicle for the purpose of acquiring the Qawra Site III and developing the Qawra III Development. Since incorporation to the date of the Prospectus, GQL was not involved in any trading or business activities. Accordingly, no key financial information pertaining to GQL is available.

3.5. Key risks that are specific to the Guarantors and the Guarantee

3.5.1. Risks relating to the Guarantee and the collateral granted by the Guarantors

The strength of the undertakings given under the Guarantees and accordingly, the level of recoverability by the Security Trustee from each of the Guarantors of any amounts due under any of the Secured Bonds, is dependent on the financial position and solvency of the Guarantors. The Guarantees will be further supported by a first-ranking special hypothec over the Qawra Site III (and any constructions and development thereon) and a second-ranking special hypothec over each of the Mosta Site (and any constructions and development thereon) and the Qawra Site II (and any constructions and development thereon) for the full nominal value of the Secured Bonds and interest thereon. There can be no guarantee that the value of the Hypothecated Property over the term of the Secured Bonds shall be sufficient to cover the full amount of interest and principal outstanding under the Secured Bonds.

3.5.2. Ranking of security interests granted by the Guarantors

The security interests to be constituted by the Guarantors in favour of the Security Trustee shall rank after the claims of privileged creditors should a note of inscription of a special privilege be registered with the Public Registry securing the privileged creditor's claim. Privileged creditors include, but are not limited to, architects, contractors, masons, and other workmen, over an immovable constructed, reconstructed or repair for the debts due to them in respect of the expenses and the price of their work.

3.5.3. Risks relating to the business of the Guarantors

The risk factors relating to the property sector, as detailed in earlier sections of this Summary equally apply to the business of the Guarantors. If any of such risks were to materialise, they would have a material adverse effect on the ability of a Guarantor to satisfy its obligations under the Guarantee.

3.6. What are the key risks that are specific to the securities?

3.6.1. Complex financial instrument and suitability assessment

Debt instruments which may be redeemed by an issuer prior to their maturity date are considered as having an embedded call option, with the price of the bonds taking these components into account. The Secured Bonds may be redeemed at the option of the Issuer on a Designated Early Redemption Date. In view of the early redemption component, the Secured Bonds are complex financial instruments for the purposes of MIFID II and may not be suitable for all recipients of the Prospectus. In the event that an investor does not seek professional advice and, or does not read and fully understand the provisions of this Prospectus, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile.

3.6.2. No prior market for the Secured Bonds

Prior to the Bond Issue and Admission, there has been no public market for the Secured Bonds within or outside Malta. Due to the absence of any prior market for the Secured Bonds, there can be no assurance that the price of the Secured Bonds will correspond to the price at which the Secured Bonds will trade in the market subsequent to the Bond Issue.

3.6.3. Risks relating to the receipt of proceeds pertaining to the Qawra II Development and the Mosta Development

The terms of the Trust Deed provide that the Security Trustee shall only be entitled to receive a percentage of the Projected Sales Price after the security trustee of the 2020 Bonds receives €21 million in the reserve account it maintains for the benefit of the 2020 Bondholders. In the event that there is a slowdown in sales of any unit / garage / car space forming part of the Qawra II Development and the Mosta Development, this may adversely impact the ability of the Security Trustee to credit the reserve account with the total amount outstanding under the Secured Bonds which in turn may have a material adverse effect on Bondholders.

3.6.4. Amendments to the Terms and Conditions of the Secured Bonds

In the event that the Issuer wishes to amend any of the Terms and Conditions of the Secured Bonds it may call a meeting of Bondholders. Defined majorities of Bondholders may bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

3.6.5. Risks relating to the Group's ability to secure sufficient project financing

GQL requires the amount of €8 million to acquire Qawra Site III. It also requires the amount of €4.3 million to develop and complete the Qawra III Development which is expected to be completed by Q2 2023. The amount of €1 million shall be financed from the proceeds received from the Bond Issue, whilst the remaining balance of €3.3 million shall be financed from the Group's cash flows. There is no certainty that the Group shall be able to obtain the full capital it requires for the completion of the Qawra III Development. Accordingly, the Bondholders are subject to the risk that the completion of the Qawra III Development may be stalled and, or, suspended until the necessary financing is obtained, if at all.

4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

4.1. Under which conditions and timetable can I invest in this security?

Application for the Secured Bonds

During the Offer Period, an Existing Bondholder may subscribe for Secured Bonds by Exchangeable Bond Transfer, by submitting an Application Form to an Authorised Financial Intermediary, up to the number of Existing Bonds held by them as at the Cut-Off Date. Existing Bondholders may, however, elect to subscribe for Excess. Existing Bondholders applying for Secured Bonds are to settle all or part of the amount due on the Secured Bonds applied for by the transfer to the Issuer of Existing Bonds held by them as at the Cut-Off Date, subject to a minimum holding of €2,000 Secured Bonds. Any Existing Bondholder whose holding in Existing Bonds is less than €2,000 shall be required to pay the Cash Top-Up.

The consideration for the purchase of the Existing Bonds by the Issuer shall be €101.25 per Existing Bond, which shall be settled as follows:

(i) Existing Bondholders electing to subscribe for Secured Bonds through the transfer to the Issuer of all or part of the Existing Bonds held by them as at the Cut-Off Date shall be allocated such number of Secured Bonds representing the nominal value of Existing Bonds transferred to the Issuer (including Cash Top-Up, where applicable);

(ii) The difference of €1.25 shall be settled by the Issuer by the settlement in cash of €1.25 per Existing Bond so purchased by the Issuer by virtue of the Exchangeable Bond Transfer (the "**Cash Settlement**"). The said amount shall be settled within 30 days of the allocation by the bank transfer of the Cash Settlement to the bank account designated by the Existing Bondholder in its Application Form.

Pursuant to the Placement Agreements, a number of Authorised Financial Intermediaries (either for their own account or for the account of underlying customers) shall be entitled to either:

(i) distribute to underlying customers any portion of the Secured Bonds subscribed for upon commencement of trading; or
(ii) instruct the Issuer, Sponsor, Manager and Registrar to issue a portion of the Secured Bonds subscribed by it directly to its underlying customers.

The total estimated expenses of the Bond Issue are €400,000.

Expected Timetable

1. Application Forms mailed to Existing Bondholders .... 9 December 2021
2. Commencement of interest on the Secured Bonds .... 30 December 2021
3. Closing of Offer Period .... 5 January 2022
4. Placement Date .... 7 January 2022
5. Expected date of announcement of basis of acceptance .... 14 January 2022
6. Refunds of unallocated monies (if any) .... 21 January 2022
7. Expected dispatch of allotment advices .... 24 January 2022
8. Expected date of admission of the securities to Listing .... 24 January 2022
9. Expected date of commencement of trading in the securities .... 25 January 2022
10. Expected date of constitution of Collateral .... not later than 15 February 2022

Plan of Distribution, Allotment and Allocation Policy

The Secured Bonds are open for subscription by: (i) Existing Bondholders; and (ii) Authorised Financial Intermediaries (either for their own account or for the account of underlying customers) pursuant to the Placement Agreements.

The Issuer shall allocate the Secured Bonds on the basis of the following policy and order of priority:

(i) up to the amount of €19,247,300 being the outstanding amount under the Existing Bonds shall be allocated to Existing Bondholders subscribing for Existing Bonds during the Offer Period; and

(ii) the amount of €1,752,700 and any balance of Secured Bonds not subscribed to by virtue of (i) above, shall be allocated to Authorised Financial Intermediaries by virtue of the Placement Agreements.

The issue and allotment of the Secured Bonds is conditional upon the Secured Bonds being admitted to the Official List of the MSE. In the event that such condition is not satisfied within 15 Business Days of the closing of the Offer Period, any Application monies received by the Issuer shall be returned without interest by direct credit into the Applicant's bank account indicated on the relative Application Form.

The Issuer shall announce the result of the Bond Issue through a company announcement by not later than 14 January 2022.

4.2. Why is this prospectus being produced?

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €20.6 million shall be used by the Issuer for the following purposes, in the amounts and order of priority set out below:

(i) €8 million shall be used for the acquisition of Qawra Site III by GQL;
(ii) approximately €11.6 million shall be used to finance costs required to develop and complete the Qawra II Development and the Mosta Development, which development and completion works are approved by planning permits issued by the Planning Authority which are described in the property valuations incorporated by reference in the Prospectus; and
(iii) the amount of €1 million shall be utilised by GQL towards development costs of the Qawra III Development as approved by planning permits issued by the Planning Authority which are described in the property valuations incorporated by reference in this Prospectus.

The Issuer has established a minimum aggregate subscription amount of €8 million upon which the Bond Issue is conditional. In the event that the Bond Issue is not fully taken up, but the said minimum is satisfied or exceeded, the Issuer shall issue Secured Bonds up to the amount subscribed for. Should the Bond Issue not be fully subscribed to, the proceeds from the Bond Issue will first be utilised for the purposes set out in Section 4.2(i) above. Any remaining balance shall be utilised for the purposes set out in section 4.2(ii) and 4.2(iii), respectively.

Following the Bond Issue, all proceeds shall be held by the Security Trustee. The Security Trustee shall, save for the payment of the expenses related to the Bond Issue, retain all remaining Secured Bond proceeds until the Secured Bonds are admitted to the Official List of the MSE. It is expected that within 15 Business Days from listing of the Secured Bonds:

(i) the Issuer, GQL and the Security Trustee shall appear on a deed of sale and purchase for the sale and transfer of the Qawra Site III to GQL. Simultaneously with the entry into of the deed of sale and purchase, each of the Issuer and Guarantors shall appear on the deed with the Security Trustee to grant and constitute in favour of the Security Trustee the hypothecs over their respective assets; and
(ii) The Guarantors and the Security Trustee shall enter into the Pledge Agreements.

The Sponsor, Manager and Registrar do not have any material interest in the Issuer or the Guarantors. The Bond Issue is not subject to an underwriting agreement on a firm commitment basis.