SUMMARY

DATED 6 JUNE 2023

In respect of an issue of up to
€32,000,000 5.5% Secured Bonds 2035
of a nominal value of €100 per bond, issued and redeemable at par by

JUEL GROUP P.L.C.
A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA
WITH COMPANY REGISTRATION NUMBER C 101395

WITH THE JOINT AND SEVERAL GUARANTEE OF
JUEL HOSPITALITY LIMITED (C 100482)
JUEL HOLDINGS LIMITED (C 92861)
MUSCAT HOLDINGS LIMITED (C 77653)
MUSCAT HOLDINGS (II) LIMITED (C 89275)

ISIN: - MT0002741206

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 STARDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER AND THE SECURED BONDS THAT ARE THE SUBJECT OF THIS SUMMARY.

THIS SUMMARY IS VALID FOR A PERIOD OF 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 DIRECTORS

Adrian Muscat   George Muscat

Signing in their own capacity as directors of the Issuer and on behalf of each of
Robert C. Aquilina, Mario Camilleri, and Dennis Gravina, as their duly appointed agents.

Sponsor	Manager & Registrar	Security Trustee	Legal Counsel
Jesmond Mizzi Financial Advisors	MZ Investments	Equinox International Limited	Dr Chris Cilia

1. INTRODUCTION AND WARNINGS

This Summary is prepared in accordance with the requirements 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.

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

Issuer	Juel Group p.l.c., a public limited liability company registered under the laws of Malta, bearing company registration number C 101395 and legal entity identifier (LEI) number 485100T71HGPIVIIF136
Address	Avian Hill, Triq l-Ispanjulett c/w Triq il-Gallina, Kappara, San Gwann, Malta
Telephone number	(+356) 27391085
Issuer website	www.juel.mt
LEI number	485100T71HGPIVIIF136
Competent authority approving the Prospectus	The MFSA, established in terms of the Financial Markets Act (Cap. 345 of the laws of Malta)
Address of the MFSA	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta
Telephone number of the MFSA	(+356) 2144 1155
MFSA Website	https://www.mfsa.mt/
Name of the securities	5.5% Secured Bonds due 2035 issued by the Issuer
ISIN number of the Secured Bonds	MT0002741206
Prospectus approval date	6 June 2023

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 Secured Bonds should be based on a 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 Secured Bonds?

2.1.1 Domicile and Legal Form, its LEI and Country of Incorporation

The Issuer is Juel 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 legal entity identifier (LEI) number 485100T71HGPIVIIF136.

2.1.2 Principal Activities of the Issuer

The Issuer is the holding and finance company of the Group and was incorporated for the purpose of financing its Subsidiaries' respective projects. The Issuer does not carry out any trading activities of its own and its revenue is limited to the dividends it receives from its Subsidiaries and principal and interest due under intra-group loan agreements.

2.1.3 Organisational Structure of the Group

The Issuer is the holding and finance company of the Group and holds 100% of the shareholding in the Guarantors.

The Issuer also holds 33.3% of the voting shares in GAP Group Investments II.

One of the said Guarantors, Muscat Holdings II, holds a 49.99% shareholding in ACMUS Group Limited (C104599).

2.1.4 Major Shareholders of the Issuer

The Issuer's majority shareholder is Adrian Muscat, who holds 99.99% of the issued share capital of the Issuer.

2.1.5 Key Managing Directors

The Board of Directors is composed of the following persons: Adrian Muscat (executive director), George Muscat (non-executive director), Robert Aquilina (independent non-executive director), Dennis Gravina (independent non-executive director), and Mario Camilleri (independent non-executive director).

2.1.6 Statutory Auditors

The auditors of the Issuer are TACS Malta Limited (C 84698) of 1, Tal-Providenza Mansions, Main Street, Balzan, 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 Issuer was incorporated on 24 January 2022 and as such, its first set of audited financial statements relate to the period 24 January 2022 to 31 December 2022. The key information regarding the Issuer on a consolidated basis is set out below:

	(€'000)
Income Statement	
Operating profit	3
Statement of Financial Position	
Net financial debt	22,388
Cash Flow Statement	
Cash flows from (used in) operating activities	(99)
Cash flows from (used in) financing activities	3
Cash flows from (used in) investing activities	1,260

The financial information set out below represents pro forma consolidated financial information. This pro forma information presents what the Issuer's consolidated statement of financial position would have looked like had the Group existed in its current form, comprising all its current constituent components, as at 31 December 2022. The pro forma adjustments include: (i) the inclusion of 33.3% of the voting shares in GAP Group Investments (II) Limited (C 75856), which equity stake was acquired by the Issuer on 14 April 2023; (ii) the assignment of related party balances to Adrian Muscat, the shareholder and ultimate beneficial owner; and (iii) the capitalisation of amounts due to the said shareholder following the adjustment in point (ii).

Pro Forma Consolidated Statement of Financial Position	**31 December 2022** €'000
Total assets	39,744
Equity	20,941
Net debt	(22,388)

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

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

2.3.1 The Issuer is dependent on the performance of its Subsidiaries

As a holding and finance company of the Group, the Issuer's only source of income is the receipt of dividends from its Subsidiaries and associate companies and payments of principal and interest under loan advancements granted to its Subsidiaries from time to time. The distribution of dividends is dependent on the cash flows and earnings of the relevant Subsidiary and, or associate company. The underperformance of any of the Issuer's Subsidiaries and, or associate companies may impact their ability to declare dividends and, or make loan repayments, which in turn may have an adverse effect on the performance of the Issuer and its ability to service payments of principal and interest under the Secured Bonds.

2.4 Risks relating to the Group

2.4.1 Economic and Financial Risks of the Group

(a) *Risks relating to the financing of the Group's projects*

The Group's property development projects have been part-financed through bank financing with local banks. The Group plans to incur additional debt for the purposes of financing future property development projects. Should a Group company significantly increase its debt obligations, this may have an adverse effect on the profitability of the respective company and the Group as a whole. Changes in banking risk appetite as a result of financial turmoil, property market saturation or any other reason, may decrease the willingness of banks to provide loans to companies and, or to grant loans on commercially favourable terms. As a result of the factors detailed herein, a Group company may not be able to raise the capital and financing it requires for the acquisition of new sites, completion of a project and, or the operation of its business, on commercially viable terms, or at all.

(b) *Risks relating to rising costs of materials, resources, and utilities*

The Group operates in both the property industry and the hospitality industry. Both industries necessitate the availability of certain resources, including human resources, materials, and utilities, at cost-effective prices. In recent years, the prices of raw materials have been subject to substantial increases caused by a combination of heightened market demand and low availability, inflationary pressures, ongoing global supply chain challenges, increase in shipping costs, and shortages in containers, ships, and human resources. A significant increase in the price of materials could result in material cost overruns and, or delays. Moreover, the inability of the Group to source sufficiently skilled human resources for both its property and development arms could adversely impact the Group's relations with its customers and suppliers, prejudice its goodwill, prejudice its contractual commitments in terms of the Franchise Agreements and, or could result in a material adverse effect on the financial position, financial performance, and operational results of the Group.

2.4.2 Operational Risks of the Group

(a) *Risks relating to the Franchise Agreements*

Pursuant to the Franchise Agreements, the Franchisor granted Juel Hospitality the non-exclusive right and obligation to use certain intellectual property of the Franchisor (including the "HYATT CENTRIC" brand) as well as its systems. Juel Hospitality (as franchisee) is required to comply with certain conditions as part of the Franchise Agreements. The breach of any of the conditions in the Franchise Agreements could result in the termination of the Franchise Agreements prior to the expiration of its term or the suspension thereof. Moreover, the Franchisor may impose penalties or seek to claim damages suffered as a result of the breach of any of the conditions of the Franchise Agreements. Accordingly, the success of the Hotel operations is dependent on the continuity of the contractual relationship with the Franchisor. Should the Franchise Agreements be terminated or not renewed, the profitability and financial condition of the Group may be materially adversely affected in view of its inability to benefit from the reputation and standards of the "HYATT CENTRIC" brand.

(b) *Risks relating to the ability of the Group to secure approvals and licenses*

Once completed, the Hotel will require a license from the Malta Tourism Authority to operate as a Class 3B hotel before the Group can open the Hotel's doors to its guests. Should the Hotel fail to open its doors within the projected timeframe (that is, by Q4 2024) due to a delay in the issue of a license to operate as a Class 3B hotel, the Group's business, financial condition, and results of operations may be adversely affected.

(c) *Risks relating to property development and construction industry*

The Group undertakes activities in the property development and construction industry. Pursuant to such activities, the Group is subject to several specific risks, including:

(a) the risk of delays, including albeit not limited to delays (and, or refusals) in obtaining any necessary permits and cost overruns;

(b) the possibility of delays pursuant to a strain on the availability of human and other capital resources required for the development and completion of such projects resulting from heightened levels of activity in the sector;

(c) covenants, conditions, restrictions, and easements relating to the properties or their use, whether arising out of law, contractual arrangements, or orders, or other decisions of the competent judicial or government authorities; and

(d) government restrictions concerning the free movement of people and goods, which might result in delays or changes in terms of established trade supply routes, changes in macro-economic conditions, as well as market and regulatory changes affecting the construction and property development processes.

The occurrence of any of the risk factors described above 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.

(d) *Risks relating to competing projects*

The local hospitality industry is characterised by substantial competition given the variety of temporary accommodation available on the market. The Group's activities in the property development and rental sectors are also susceptible to competitive forces given the large number of properties and developments available on the local market. A reduction in reservations for hotel accommodation and, or the sale of units at prices which are lower than those projected may adversely affect the Group's business, financial condition, and results of operations.

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 €32,000,000 with a nominal value of €100 per Secured Bond issued and redeemable at par on 27 June 2035. The Secured Bonds bear interest at the rate of 5.5% per annum on the nominal value of the Secured Bonds. The first interest payment shall be effected on 27 June 2024 (covering the period 27 June 2023 to 26 June 2024).

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: MT0002741206. 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 on a joint and several basis (the "**Guarantee**"). 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 first-ranking general hypothec for the amount of €32 million, over all the present and future property of the Issuer;

(ii) the first-ranking general hypothec for the amount of €32 million, over all the present and future property of Juel Hospitality;

(iii) the first-ranking special hypothec granted by Juel Hospitality for the amount of €32 million over the Hotel Site (and any developments and construction thereon); and

(iv) a pledge over insurance policy proceeds as security for the full nominal value of the Secured Bonds and interest thereon (the "**Pledge Agreement**").

The Issuer and the Guarantors have entered into a Security Trust Deed with the Security Trustee which regulates, *inter alia*, the covenants of the Issuer and of each of the Guarantors to pay the principal amount and interest thereon under the Secured Bonds. The Guarantee and the Collateral shall be vested in the Security Trustee for the benefit of all Bondholders in proportion to their respective holding of Secured Bonds. The Security Trustee's role includes the holding of the Collateral for the benefit of the Bondholders and the enforcement of the Collateral upon the happening of certain events.

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 the Guarantee and the Collateral; and (iv) such other rights attached to the Secured Bonds emanating from the Securities Note. There are no restrictions on the free transferability of the Secured Bonds.

3.2 Where will the securities be traded?

Application has been made to the Malta Stock Exchange for the Secured Bonds to be listed and traded on the 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. Accordingly, the Bondholders shall be entitled to request the Guarantors to pay both the interest due and the principal amount under said Secured Bonds on first demand (subject to the terms of the Guarantee), if the Issuer fails to meet any amount, when due in terms of the Prospectus. The joint and several Guarantee also entitles the Bondholders to demand payment from any or all of the Guarantors without having to first take action against the Issuer.

3.3.1 The Guarantors

The Guarantors are Juel Hospitality, Juel Holdings, Muscat Holdings and Muscat Holdings II.

Juel Hospitality was established on 18 October 2021 as a private limited liability company registered in Malta in terms of the Companies Act with company registration number C 100482. The LEI of Juel Hospitality is 485100XNSNCFMKQ64Y15. Juel Hospitality was incorporated with the purpose of owning and managing the Hotel in accordance with the terms and conditions of the Franchise Agreements.

Juel Holdings was established on 8 August 2019 as a private limited liability company registered in Malta in terms of the Companies Act with company registration number C 92861. The LEI of Juel Holdings is 485100C6IJTMPAF8X759. Juel Holdings operates in the property development and property rental sectors.

Muscat Holdings was established on 14 October 2016 as a private limited liability company registered in Malta in terms of the Companies Act with company registration number C 77653. The LEI of Muscat Holdings is 485100JM2ER0TVPM5M38. Muscat Holdings operates in the property development and property rental sectors.

Muscat Holdings II was established on 7 November 2018 as a private limited liability company registered in Malta in terms of the Companies Act with company registration number C 89275. The LEI of Muscat Holdings II is 485100C1VOBCCXKOEN43. Muscat Holdings II operates in the property development sector.

3.3.2 *Key financial information of the Guarantors*

The key financial information of each of the Guarantors is set out below:

	Muscat Holdings Limited			**Muscat Holdings (II) Limited**		
	2020 (€'000)	**2021 (€'000)**	**2022 (€'000)**	**2020 (€'000)**	**2021 (€'000)**	**2022 (€'000)**
Income Statement						
Operating profit	1,092	493	119	(3)	2,142	145
Statement of Financial Position						
Net financial debt	1,342	928	3,689	4,239	(768)	3,802
Cash Flow Statement						
Cash flows from (used in) operating activities	2,443	579	(2,240)	(578)	4,908	(4,570)
Cash flows from (used in) financing activities	(1,549)	(808)	2,179	519	(3,193)	3,078
Cash flows from (used in) investing activities	(1,283)	(86)	-	-	-	-

	Juel Holdings Limited			**Juel Hospitality Ltd**
	2020 (€'000)	**2021 (€'000)**	**2022 (€'000)**	**2022 (€'000)**
Income Statement				
Operating profit	82	100	23	(7)
Statement of Financial Position				
Net financial debt	1,243	1,849	2,020	20,739
Cash Flow Statement				
Cash flows from (used in) operating activities	49	217	(190)	124
Cash flows from (used in) financing activities	1,525	(131)	54	21,036
Cash flows from (used in) investing activities	(1,293)	(41)	(15)	(20,883)

3.3.3 *Key risks that are specific to the Guarantors and the Collateral*

(a) *Risks relating to the ranking of Collateral*

The Secured Bonds are secured by the Collateral. The Collateral shall rank after the claims of privileged creditors should a note of inscription of a special privilege be registered with the Public Registry in Malta 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 repaired for the debts due to them in respect of the expenses and the price of their work. The ranking of Collateral has a bearing on the success of a creditor to get paid should the Issuer not have sufficient assets to pay all its creditors. The Security Trustee will be paid out of the assets of the Issuer after privileged creditors and those creditors which are given priority over the relevant Collateral by law. Accordingly, in the case of a competition of creditors, Bondholders may not recover their investment in the Secured Bonds, whether in full or in part.

(b) *Enforcement of security*

Although the Secured Bonds are secured by the Collateral, there can be no assurance that the Collateral will be sufficient to cover the Issuer's payment obligations under the Secured Bonds in case of a default. The amount which may be recovered under the general hypothecs constituted over the assets of the Issuer and Juel Hospitality will depend on the nature and value of the assets forming part of the patrimony of the aforementioned collateral providers at the point in time that the Security Trustee enforces the general hypothecs. Juel Hospitality has constituted special hypothecs over the Hotel Site and any developments thereon in favour of the Security Trustee. There can be no guarantee that the value of the Hotel Site and the Hotel to be developed thereon will be sufficient to cover the full amount of interest and principal outstanding under the Secured Bonds. There can be no assurance that the property valuation and property-related assets will reflect actual market values at the time of enforcement of the Security Interests over the Hotel Site and the Hotel.

(c) *Risks relating to the Guarantee granted by the Guarantors*

The Secured Bonds are being guaranteed by the Guarantors on a joint and several basis. The strength of the undertakings given under the Guarantee and, accordingly, the level of recoverability by the Security Trustee from the Guarantors of any amounts due under any of the Secured Bonds is dependent upon and directly linked to the financial position and solvency of the Guarantors.

3.4 What are the key risks that are specific to the Securities?

(a) *Subsequent changes in interest rate and the potential impact of inflation*

The Secured Bonds are fixed rate debt securities. Investment in the Secured Bonds involves the risk that subsequent changes in market interest rates may adversely affect the market value of the Secured Bonds. Investors should be aware that because of the way yield is typically calculated by market participants, the price of fixed income securities (such as the Secured Bonds) tends to move in a way that is inversely proportional to changes in interest rates. The coupon payable on the Secured Bonds is a nominal interest rate. The real interest rate is computed by subtracting inflation from the nominal interest rate, the result of which indicates the real return on the Secured Bond coupons. In a period of high inflation, an investor's real return on the Secured Bonds will be lower than the Secured Bonds' nominal interest rate and thus undermine an investor's expected return. Furthermore, an increase in inflation may result in a decrease in the traded price of the Secured Bonds on the secondary market.

(b) *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.

(c) *Orderly and liquid secondary market*

The existence of an orderly and liquid market for the Secured Bonds depends on a number of factors, including but not limited to the presence of willing buyers and sellers of the Secured Bonds at any given time and the general economic conditions in the market in which the Secured Bonds are traded. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control. Accordingly, there can be no assurance that an active secondary market for the Secured Bonds will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to trade in the Secured Bonds at all.

(d) *Risks relating to funding from other sources*

There is no certainty that the Group will be able to obtain the full capital it requires for the completion of the Hotel through alternative financing or that it will obtain such financing on favourable terms. Accordingly, the Bondholders are subject to the risk that the completion of the Hotel may be stalled and, or, suspended until such financing is obtained by the Issuer. A shortage in the financing required will affect the projected timeline for the opening of the Hotel, which in turn may have an adverse effect on the financial position of the Group.

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?

4.1.1 The Intermediaries' Offer

Pursuant to the Intermediaries' Offer, the Issuer shall enter into subscription agreements with Authorised Financial Intermediaries whereby the Issuer shall bind itself to allocate a total amount of up to €22,256,700 in nominal value of Secured Bonds to such Authorised Financial Intermediaries, which in turn shall bind themselves to subscribe to, for their own account or for the account of their underlying clients, a specified number of Secured Bonds. The Authorised Financial Intermediaries shall be entitled to either: (i) distribute to their underlying customers any portion of the Secured Bonds subscribed for upon commencement of trading; or (ii) complete a data file representing the amount their underlying clients have been allocated in terms of the respective subscription agreement as provided by the Registrar by latest 16:00 hours on 27 June 2023. Authorised Financial Intermediaries must effect payment to the Issuer for the Secured Bonds subscribed to by not later than 16:00 hours on 27 June 2023.

4.1.2 Expected tmetable of the Bond Issue

1. Intermediaries' Offer Period	08:30 hours on 12 June 2023 to 14:00 hours on 27 June 2023
2. Commencement of interest on the Secured Bonds	27 June 2023
3. Expected date of announcement of basis of acceptance	27 June 2023
4. Refunds of unallocated monies (if any)	30 June 2023
5. Expected dispatch of allotment advices	30 June 2023
6. Expected date of admission of the Secured Bonds to listing	30 June 2023
7. Expected date of commencement of trading in the Secured Bonds	3 July 2023
8. Expected date of constitution of Collateral	not later than 21 July 2023

4.1.3 Plan of distribution, allotment and allocation policy

The Secured Bonds shall be made available for subscription to all categories of investors. An amount of €9,743,300 in nominal value of the Secured Bonds has been reserved for MZI which has entered into a placement agreement with the Issuer. The remaining balance of €22,256,700 in nominal value of Secured Bonds is open for subscription by Authorised Financial Intermediaries (either for their own account or for the account of their underlying customers) pursuant to the Intermediaries' Offer.

Pursuant to the Intermediaries' Offer, during the Offer Period, Authorised Financial Intermediaries shall subscribe to Secured Bonds pursuant to subscription agreements entered into by and between the Issuer, the Guarantors, and the Authorised Financial Intermediaries. The allocation of the Secured Bonds shall be conditional upon the Secured Bonds being admitted to the Official List.

The Issuer has established a minimum aggregate subscription amount of €21 million on 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.

The Issuer shall announce the result of the Bond Issue through a company announcement by not later than 27 June 2023. Dealings in the Secured Bonds shall not commence prior to the Secured Bonds being admitted to the Official List.

4.2 Total estimated expenses

Professional fees, and costs related to publicity, advertising, printing, listing, registration, Sponsor and Manager & Registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €640,000 in the aggregate. There is no particular order of priority with respect to such expenses.

4.3 Why is this Prospectus being produced?

4.3.1 Reasons for the issue and use of proceeds

The amount of €9,743,300 will not be received by the Issuer as net bond proceeds. An amount of €9,743,300 in nominal value of Secured Bonds shall be issued and allotted to MZI, or such persons as it may direct, in repayment of the Bond Advance Facility Amount and the premium outstanding thereunder.

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €21,616,700 shall be used by the Issuer for the following purposes, in the amounts and order of priority set out below:

(a) approximately €8 million shall be used to finance outstanding principal and interest under a bank loan granted by Bank of Valletta p.l.c. to the Issuer for the purpose of the acquisition of the Sans Souci Site by Juel Hospitality; and

(b) approximately €13,616,700 shall be used to finance costs required to partly construct and develop the Hotel in accordance with approved planning permits. This amount shall be released by the Security Trustee in a corresponding value contained in an architect's confirmation of value of works.

Should the Bond Issue not be fully subscribed to pursuant to the Intermediaries' Offer, the total amount of the net bond proceeds from the Bond Issue shall first be utilised for the purposes set out in section (a) above. Any remaining balance shall be utilised for the purposes set out in section (b) above.

4.4 Underwriting

The Bond Issue is not subject to an underwriting agreement on a firm commitment basis.

4.5 Conflicts of interest

Adrian Muscat is a director of the Issuer as well as of the Guarantors and of GAP Group Investments (II) Limited (C 75856). George Muscat, who is the father of Adrian Muscat, is a director of the Issuer, Muscat Holdings, Muscat Holdings II, Juel Holdings and of GAP Group Investments (II) Limited (C 75856). Conflicts may arise between the potentially diverging interests of the Issuer and the Guarantors, particularly in connection with advances to be made by the Issuer to the applicable Guarantor in undertaking existing or new projects. Other than as stated above, there are no other conflicts of interest or potential conflicts of interest between the duties of the Adrian Muscat and George Muscat and their private interests.

Other than as stated above, so far as the Issuer is aware, there are no other conflicts of interest or potential conflicts of interest between the duties of the Directors and the directors of the Guarantors and their private interests.