

This document is a Securities Note issued in accordance with the provisions of the Regulation. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Issuer.

SECURITIES NOTE

Dated 12 December 2023

In respect of an issue of up to €5,000,000 7.25% Secured Callable Notes 2025-2027 of a nominal value of €1,000 per Note, issued and redeemable at par by



a public limited liability company registered and incorporated in terms of the Companies Act with company registration number C 82098 and having its registered office at HHF 303, Hal Far Industrial Estate, Birzebbugia BBG 3000, Malta

Nominee and Placement Agent



THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY AS THE COMPETENT AUTHORITY UNDER THE REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY HAS ONLY APPROVED THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY AS PRESCRIBED BY THE REGULATION. SUCH APPROVAL SHOULD NOT HOWEVER BE CONSIDERED AS AN ENDORSEMENT OF THE SECURITIES THAT ARE THE SUBJECT OF THIS SECURITIES NOTE. IN PROVIDING THIS AUTHORISATION, THE MALTA FINANCIAL SERVICES AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENTS AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENTS.

THE MALTA FINANCIAL SERVICES 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 THE SECURITIES.

THESE SECURITIES MAY NOT BE SUITABLE FOR ALL TYPES OF INVESTORS. A POTENTIAL INVESTOR SHOULD NOT INVEST IN THE SECURITIES UNLESS: (I) HE/SHE HAS THE NECESSARY KNOWLEDGE AND EXPERIENCE TO UNDERSTAND THE RISKS RELATING TO THIS TYPE OF FINANCIAL INSTRUMENT; (II) THE SECURITIES MEET THE INVESTMENT OBJECTIVES OF THE POTENTIAL INVESTOR; AND (III) SUCH PROSPECTIVE INVESTOR IS ABLE TO BEAR THE INVESTMENT AND FINANCIAL RISKS WHICH RESULT FROM INVESTMENT IN THESE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENT. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN FINANCIAL ADVISER. A PROSPECTIVE INVESTOR SHOULD MAKE HIS OR HER OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE SECURITIES SUBJECT OF THIS SECURITIES NOTE.

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be "Josef Dimech", written over a light blue horizontal line.

Josef Dimech

in his capacity as Director of the Issuer and on behalf of
Jonathan Pace, Stanley Portelli, Stephen Muscat and Jesmond Manicaro

IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON AN ISSUE BY JD CAPITAL PLC (THE “ISSUER”) IN ITS CAPACITY AS ISSUER IN ACCORDANCE WITH THE REQUIREMENTS OF THE ACT AND THE REGULATION.

THIS SECURITIES NOTE SETS OUT THE CONTRACTUAL TERMS UNDER WHICH THE GLOBAL NOTE IS ISSUED BY THE ISSUER IN FAVOUR OF THE NOMINEE AND THE SUBSEQUENT TRANSFER OF PARTICIPATIONS IN THE GLOBAL NOTE THROUGH THE ISSUE OF PARTICIPATION NOTES, WHICH TERMS SHALL REMAIN BINDING UNTIL THE REDEMPTION DATE OF THE GLOBAL NOTE.

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

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

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

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

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

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

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES NOTE 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. ACCORDINGLY, NO SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THE PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. IT IS THE RESPONSIBILITY OF PERSONS WHO HAVE POSSESSION OF THIS DOCUMENT TO INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

THE GLOBAL NOTE HAS NOT BEEN, NOR WILL THEY BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933, AS AMENDED, OR UNDER ANY FEDERAL OR STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, OR ANY AREA SUBJECT TO ITS JURISDICTION (THE “U.S.”) OR TO OR FOR THE BENEFIT OF, DIRECTLY OR INDIRECTLY, ANY U.S. PERSON

(AS DEFINED IN REGULATION "S" OF THE SAID ACT). FURTHERMORE, THE ISSUER WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT, 1940 AS AMENDED AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS SET OUT THEREIN.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE FINANCIAL MARKETS ACT AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES AT THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE ACT.

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

THE ADVISERS TO THE ISSUER NAMED IN THE REGISTRATION DOCUMENT UNDER SECTION 3.1 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS 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 NOTES ARE ISSUED SUBJECT TO THE TERMS AND CONDITIONS AS SET OUT IN THIS SECURITIES NOTE, AND THE RELEVANT SCHEDULES OF THE FIDUCIARY AGREEMENT. **INVESTORS PARTICIPATING IN THE GLOBAL NOTE THROUGH SUBSCRIPTION FOR PARTICIPATION NOTES ARE ENTITLED TO THE BENEFIT OF, ARE BOUND BY, AND ARE DEEMED TO HAVE NOTICE OF, ALL THE PROVISIONS OF THE FIDUCIARY AGREEMENT APPLICABLE TO THEM.**

THE PARTICIPATION NOTES REPRESENT PARTICIPATION IN THE GLOBAL NOTE. THE PARTICIPATION NOTES ARE TRANSFERABLE NOTES WHICH MAY BE REDEEMED BY THE ISSUER OR THE NOMINEE AND PLACEMENT AGENT IN ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED THEREIN.

UNLESS INCORPORATED BY REFERENCE IN THIS SECURITIES NOTE, THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THE PROSPECTUS AND NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITE AS THE BASIS FOR A DECISION TO INVEST IN THE SECURITIES.

THE ISSUER DISCLAIMS ANY AND ALL RESPONSIBILITY FOR ANY DEALINGS MADE, REPRESENTATIONS GIVEN, PROCESSES ADOPTED, FUNDS COLLECTED OR APPLICATIONS ISSUED BY NOMINEE AND PLACEMENT AGENT IN ITS EFFORT TO PLACE OR RE-SELL THE NOTE SUBSCRIBED BY IT.

THE VALUE OF INVESTMENTS CAN GO DOWN AS WELL AS UP, AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE SECURITIES.

TABLE OF CONTENTS

IMPORTANT INFORMATION	2
1 DEFINITIONS	5
2 PERSONS RESPONSIBLE.....	6
3 RISK FACTORS.....	6
3.1 <i>General</i>	<i>6</i>
3.2 <i>Forward-looking statements.....</i>	<i>7</i>
3.3 <i>Risks Relating to the Notes</i>	<i>7</i>
3.4 <i>Risks relating to the underlying</i>	<i>9</i>
4 CONSENT FOR USE OF THE PROSPECTUS & AUTHORISATION STATEMENT.....	10
4.1 <i>Consent required in connection with the use of the Prospectus by the Nominee and Placement Agent</i> <i>10</i>	
4.2 <i>Statement of authorisation.....</i>	<i>11</i>
5 KEY INFORMATION	11
5.1 <i>Reasons for the Issue and use of proceeds</i>	<i>11</i>
5.2 <i>Estimated expenses and proceeds of the Issue.....</i>	<i>11</i>
5.3 <i>Offer statistics.....</i>	<i>11</i>
5.4 <i>Interest of natural and legal persons involved in the Issue</i>	<i>12</i>
5.5 <i>Expected timetable of principle events</i>	<i>12</i>
6 INFORMATION CONCERNING THE SECURITIES TO BE OFFERED TO THE PUBLIC	12
6.1 <i>General</i>	<i>12</i>
6.2 <i>Description of the Offer</i>	<i>13</i>
6.3 <i>Plan of distribution and allotment.....</i>	<i>14</i>
6.4 <i>Ranking of the Notes</i>	<i>14</i>
6.5 <i>Rights attaching to Participation Notes.....</i>	<i>14</i>
6.6 <i>Transferability</i>	<i>14</i>
6.7 <i>The Nominee and Placement Agent</i>	<i>14</i>
6.8 <i>Interest.....</i>	<i>15</i>
6.9 <i>Limits of validity.....</i>	<i>15</i>
6.10 <i>Yield</i>	<i>16</i>
6.11 <i>Redemption and Purchase</i>	<i>16</i>
6.12 <i>The Security Interest</i>	<i>16</i>
6.13 <i>The Security Trust Deed</i>	<i>17</i>
6.14 <i>Events of Default.....</i>	<i>19</i>
6.15 <i>Governing law and jurisdiction</i>	<i>20</i>
6.16 <i>Taxation</i>	<i>20</i>
ANNEX 1A – TERMS AND CONDITIONS OF THE GLOBAL NOTE	23
ANNEX 1B – TERMS AND CONDITIONS OF THE PARTICIPATION NOTES.....	28

1 DEFINITIONS

In this Securities Note, the following words and expressions shall bear the following meaning except where the context otherwise requires:

Applicant/s	Any person or persons, natural or legal, subscribing for the Participation Notes;
Applications	the application to subscribe for the Participation Notes made by an Applicant/s through the Nominee and Placement Agent in accordance with the terms of this Securities Note;
Appropriateness Test	shall have the meaning set out in section 6.7 of this Securities Note;
Business Day	any day between Monday and Friday, both days included, on which commercial banks in Malta settle payments and are open for normal banking business;
CET	Central European Time;
Civil Code	the Civil Code (Cap. 16 of the Laws of Malta);
Conditional Early Redemption	subject to the condition that the Issuer makes an application to the MFSA for admissibility to listing of an offering of securities to the public, the Global Note issued may be redeemed by the Issuer on a Conditional Early Redemption Date;
Conditional Early Redemption Date	any date falling between 30 January 2024 and 30 January 2025, at the sole option of the Issuer, on which the Issuer shall be entitled to prepay the principal amount of Notes and all interests accrued up to the date of prepayment, by giving not less than ten (10) nor more than sixty (60) days' notice to the Noteholders;
Early Redemption Date	any date falling between 30 January 2025 and 30 January 2027, at the sole option of the Issuer, on which the Issuer shall be entitled to prepay all or part of the principal amount of Notes and all interests accrued up to the date of prepayment, by giving not less than thirty (30) days' notice to the Noteholders and the term " Early Redemption " shall be construed accordingly;
Fiduciary Agreement	the agreement entered into by and between the Issuer and the Nominee and Placement Agent dated 14 December 2023;
Fiduciary Asset	the rights attaching to and emanating from the Global Note and the Fiduciary Agreement including the right of payment of principal and interest under the Global Note;
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation);
Interest Payment Date	30 January of each year between and including each of the years 2025 and the year 2027;
Issue Date	expected 30 January 2024;
Offer Amount	up to €5,000,000;
Offer Period	18 December 2023 to 26 January 2024 at 12:00 CET, both days included provided that the Offer Period may be extended by the Nominee and Placement Agent by giving written notice thereof to the Issuer by not later than 26 January 2024;

Redemption Date or Maturity Date	30 January 2027 unless earlier redeemed, purchased or cancelled;
Redemption Value	the nominal value of each Participation Note (€1,000) per Participation Note;
Registered Investor	the holder of a Participation Note as identified in the Register of Investors;
Register of Global Noteholders	the register maintained by the Issuer identifying the holder of the Global Note;
Subscription Agreement	the agreement to subscribe to the Participation Notes;
Suitability Test	shall have the meaning set out in section 6.7 of this Securities Note; and
Terms and Conditions	the terms and conditions of the Offer set out in Annex 1A and Annex 1B to this Securities Note.

Unless it appears otherwise from the context:

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

2 PERSONS RESPONSIBLE

This Securities Note includes information given in compliance with the Regulation for the purpose of providing prospective investors with information with regard to the Issuer and the Offer. Stephen Muscat, Jesmond Manicaró, Stanley Portelli, Jonathan Donald Pace and Josef Dimech, being all of the Directors of the Issuer as further detailed in sub-section 9.1 of the Registration Document, accept responsibility for the information contained in the Prospectus.

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

3 RISK FACTORS

3.1 General

THE VALUE OF INVESTMENTS CAN GO DOWN AS WELL AS UP, AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.

THE NOMINAL VALUE OF THE NOTES WILL BE REPAYABLE IN FULL UPON MATURITY ON THE REDEMPTION DATE UNLESS THE NOTES ARE PREVIOUSLY RE-PURCHASED AND CANCELLED.

AN INVESTMENT IN THE NOTES INVOLVES CERTAIN RISKS INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE PARTICPATION NOTES. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED, OTHER THAN THE FIRST RISK FACTOR PRESENTED IN EACH CATEGORY, IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCE.

NEITHER THIS SECURITIES NOTE, NOR ANY OTHER PARTS OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE NOTES: (A) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, (B) NOR SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE SPONSOR OR AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS SECURITIES NOTE OR ANY OTHER PART OF THE PROSPECTUS OR ANY OTHER

INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS OR ANY NOTES, SHOULD PURCHASE ANY PARTICIPATION NOTES.

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

3.2 Forward-looking statements

The Prospectus contains statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer and its Directors concerning, amongst other things, the Issuer’s and the Group’s strategies and business plans, results of operations, financial condition, liquidity and prospects of the Issuer and the markets in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The actual results of operations, financial condition, liquidity and the strategic development of the Issuer and the Group may differ materially from the forward-looking statements contained in the Prospectus. In addition, even if the results of operations, financial condition and liquidity of the Issuer and/or the Group are consistent with the forward-looking statements contained in the Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include:

- (i) Continued, sustained or worsening global economic conditions and in particular economic weakness in the areas in which the Issuer and/or the Group operates;
- (ii) Increased competition; and
- (iii) Increased regulation.

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

3.3 Risks Relating to the Notes

An investment in the Participation Notes includes certain risks including, but not limited to, the following:

i. Notes not traded on any regulated market

The Participation Notes are transferable but shall not be traded on any regulated market or other trading facility and, as a result, there may be no liquid market for the Participation Notes. The market for the Participation Notes may be less liquid than a regulated market or other trading facility and Participation Noteholders may find it more difficult to identify willing buyers for their Participation Notes. Participation Noteholders who wish to sell their Participation Notes may be unable to do so at an acceptable price, or at all if insufficient liquidity exists in the market for the Participation Notes. The ease of transferability of the Participation Notes depends on factors beyond the Issuer’s control which could impact the trading value of the Participation Notes, such as the willingness or otherwise of potential buyers and sellers of the Participation Notes. The trading value of the Participation Notes may also be impacted by other factors, such as the time remaining for maturity of the Global Note and Participation Notes, the outstanding amount of the Global Note and Participation Notes, and the level, direction and volatility of market interest rates generally.

ii. Status and ranking of the Notes and additional indebtedness or security

The Global Note and Participation Notes (their repayment and the payment of interest thereon), as an when issued, shall constitute the general, direct and unconditional obligations of the Issuer to the Global Noteholder and the Participation Noteholder/s secured in the manner described in section 6.12 of this Securities Note and shall at all times rank *pari passu* without any priority or preference among themselves. The Global Note and the Participation Notes shall rank subsequent to any other prior ranking indebtedness of the Issuer. In terms of Maltese law, hypothecary debts are paid according to the order of their registration in the Public Registry of Malta. The Issuer shall secure its obligations under the Global Note and, in turn, the Participation Notes by virtue of a special hypothec over the Secured Property (the “**Special Hypothec**”).

Further to the above, there can be no guarantee that any other prior ranking privileges or security in specific situations will not arise by operation of law during the course of the Issuer's or JD Estates' business which may rank with priority or preference to the Special Hypothec. Moreover, it is also possible that additional third-party security interests may be registered that will rank in priority to the Global Note and, in turn, the Participation Notes against the unencumbered assets of the Issuer and JD Estates for so long as such security interests remain in effect.

As a result, in the event of the insolvency of the Issuer, or of a default under the Terms and Conditions, the Global Noteholder and, in turn, the Participation Noteholders, may not be able to recover their investment under the Global Note and the Participation Notes, respectively (in whole or in part) until such time as the claim/s of higher-ranking creditors are duly satisfied.

iii. Complex Financial Instrument and Suitability Risk

The Participation Notes are complex financial instruments and may not be suitable for all recipients of the Prospectus. Prospective investors are urged to consult an investment advisor licensed under the Investment Services Act as to the suitability or otherwise of an investment in the Participation Notes before making an investment decision. In the event that the prospective investor does not seek financial advice and/or does not read and fully understand the provisions of the Prospectus, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile.

iv. Notes are Redeemable at the Option of the Issuer

The Global Note may be redeemed by the Issuer on any Early Redemption Date on at least thirty (30) Business Days' prior written notice to the relevant Noteholder.

Moreover, subject to the condition that the Issuer make an application to the MFSA for admissibility to listing of an offering to the public, the Global Note issued may be redeemed by the Issuer at any time from the date of Issue upon not less than 10 nor more than 60 days' notice to the Noteholders.

Once the Notes are redeemed the Noteholders will no longer be entitled to any interest or other rights in relation to those Notes. If Notes are redeemed prior to the Maturity Date, a Noteholder would not receive the same return on investment that it would have received if they were redeemed on the Maturity Date. In addition, Noteholders may not be able to re-invest the proceeds from an early redemption at yields that would have been received had they not been redeemed. This optional redemption feature may also have a negative impact on the market value of the Notes.

v. Interest Rate Risk of the Notes and the Possible Impact of Inflation

The Notes shall carry fixed interest rates. Investment in the Participation Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Participation Notes. Investors should also be aware that the price of fixed-rate debt securities should theoretically move adversely to changes in interest rates. When prevailing market interest rates are rising as a result of inflationary pressures, *inter alia*, the price of fixed debt securities decline and conversely, if market interest rates are declining, the prices of fixed-rate debt securities rise. This is called market risk since it arises only if a Participation Noteholder decides to sell the Notes before maturity on the secondary market.

vi. Future public offers

No prediction can be made about the effect which any future public offerings of the Issuer's securities (including but not limited to the effects arising out of a change in the cash flow requirements of the Issuer or other commitments of the Issuer vis-à-vis the new security holders), or any takeover or merger activity involving the Issuer will have on the market price of the Participation Notes prevailing from time to time.

vii. Currency of reference

A Participation Noteholder will bear the risk of any adverse fluctuations in exchange rates between the currency of denomination of the Participation Notes (Euro) and the Participation Noteholder's currency of reference, if different. Such adverse fluctuations may impair the return on investment of the Participation Noteholder in real terms after taking into account the relevant exchange rate.

viii. Amendments to or waivers of the terms and conditions of the Notes

In the event that the Issuer wishes to amend any of the Terms and Conditions of the Global Note it shall call upon the Nominee and Placement Agent to call a meeting of Participation Noteholders in accordance with the provisions of sub-section 12 of Annex 1B of this Securities Note. These provisions permit defined majorities to bind all Participation Noteholders, including Participation Noteholders who do not attend and vote at the relevant meeting and Participation Noteholders who vote in a manner contrary to the majority.

ix. Changes in law

The Terms and Conditions of the Global Note and the Terms and Conditions of the Participation Notes are based on Maltese law in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Maltese law or administrative practice after the date of the Prospectus.

3.4 Risks relating to the underlying

i. Enforcement Rights

The Notes shall at all times rank *pari passu* without any priority or preference among themselves and, save for such exceptions as may be provided by applicable law, they shall rank without priority or preference over all unsecured indebtedness of the Issuer, if any, by virtue and to the extent of the first ranking special hypothec over the Secured Property which the Issuer has agreed to constitute in favour of the Security Trustee for the benefit of the Noteholders.

In terms of the Security Trust Deed, the Security Trustee retains the discretion to substitute any one of the immovable properties subject to the Special Hypothec with another immovable property owned by the Issuer or some affiliated company, subject to a property valuation report by an independent architect to be appointed by the Issuer with the consent of the Security Trustee, confirming that the value of the property substituting and being added to the immovable properties subject to the Special Hypothec is at least equal to the value of the immovable property on which the charge has been lifted.

Notwithstanding that the Notes constitute the general, direct, unconditional and secured obligations of the Issuer, there can be no guarantee that privileges accorded by law in specific situations will not arise during the course of the business of the Issuer which may rank with priority or preference to the Special Hypothec. Moreover, whilst this special hypothec grants the Security Trustee a right of preference and priority for repayment of the Notes over the creditors of the Issuer in respect of the Secured Property, there can be no guarantee that the value of the said Secured Property over the term of the Notes will be sufficient to cover the full amount of interest and principal outstanding under the said Notes. This loss in value may be the result of various factors, including general economic factors that could have an adverse impact on the value of the Secured Property. If such circumstances were to arise or subsist at the time that the Special Hypothec is to be enforced by the Security Trustee, it could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Notes. Whilst the independent valuation opines that the value of the Secured Property, once developed, actually exceeds the aggregate nominal value of the Global Note outstanding as at that date, there is no guarantee that such value determined in the independent valuation would be achieved, particularly if the Special Hypothec is enforced at a time when the Secured Property is still not completed and unfinished, in which case various pressures in the market may push the price down (including the perceived weakness in the financial situation of the Group by potential buyers, the hesitation of potential buyers to take up the commitments, efforts and challenges of completing the same, the lost opportunity of fetching a good price typically offered by an immovable which is finished and which can be sold immediately).

The valuation of property is inherently subjective, due to, among other things, the individual nature of each property and the assumptions upon which the valuation is carried out. Accordingly, there can be no assurance that the valuation of the Secured Property reflects actual values that could be achieved on a sale, even where any such sale was to occur shortly after the valuation date. Actual values may be materially different from any future values that may be expressed or implied by forward-looking statements set out in the valuation or anticipated on the basis of historical trends, as reality may not match the assumptions made. There can be no assurance that such valuation of property will reflect actual market values.

ii. Value of the Secured Property

Given that JD Real Estate is a property holding company, it is exposed to fluctuations in the property and real estate markets. Property investments are subject to varying degrees of risks. Property and real estate values are affected (amongst other things) by changing demand, changes in general economic conditions, changing supply within a particular area of competing space and attractiveness of real estate relative to other investment choices. The capital value of the Secured Property may also be adversely affected as a result of other factors outside the Group's control, such as changes in regulatory requirements and applicable laws (including in relation to taxation, planning and the property market in general), political conditions, the conditions of the financial markets, interest and inflation rate fluctuations and higher accounting and control expenses.

The Architect's Valuation prepared by an independent qualified architect in respect to the Secured Property contains certain assumptions. The actual value of the Secured Property may be materially different from any future values that may be expressed or implied in any forward-looking statements or anticipated on the basis of historical trends, as the eventual reality might not match the assumptions. There can be no assurance that the Architect's Valuation reflects what the actual market value of the Secured Property will be at the time of enforcement of the Special Hypothec, and a lower market value at the time of enforcement will, therefore, have an adverse effect on the level of recoverability of amounts than might have otherwise been expected as of the date of the Prospectus.

4 CONSENT FOR USE OF THE PROSPECTUS & AUTHORISATION STATEMENT

4.1 Consent required in connection with the use of the Prospectus by the Nominee and Placement Agent

The Issuer has given its express written consent to the Nominee and Placement Agent for the use of the Prospectus by the same Nominee and Placement Agent for the purpose of final placement and, or subsequent resale of the Participation Notes taking place within the period of 60 days from the date of this Securities Note. The Issuer accepts full responsibility for the content of the Prospectus also with respect to any subsequent resale or final placement of the Participation Notes by the Nominee and Placement Agent.

The Nominee and Placement Agent will only be permitted to use the Prospectus in the Republic of Malta.

There are no other conditions attached to the consent given by the Issuer to the Nominee and Placement Agent which are relevant for the use of the Prospectus.

The Nominee and Placement Agent is the only financial intermediary that is permitted to use the Prospectus for the purpose of final placement of the Participation Notes. Should there be any new information with respect to the Nominee and Placement Agent, such information shall be made available on its website. Provided that the Participation Notes are deemed to be complex instruments, they may not be distributed to retail clients before at least an Appropriateness Test has been carried out. Particularly, to the extent that the Nominee and Placement Agent provides investment advice in respect of a purchase of the Participation Notes by an Applicant, the Nominee and Placement Agent shall also be required to conduct a Suitability Test in respect of that Applicant and, based on the result of such test, be satisfied that an investment in the Participation Notes may be considered suitable for the Applicant.

All information on the Terms and Conditions of the Participation Notes which are offered to any investor by the Nominee and Placement Agent is to be provided by the Nominee and Placement Agent to the investor prior to such investor subscribing to any Participation Note. Any interested investor has the right to request that the Nominee and Placement Agent provide the said prospective investor with any and all information on the Prospectus, including the Terms and Conditions of the Participation Notes.

The Nominee and Placement Agent using the Prospectus in connection with the resale or placement of Participation Notes subsequent to the Offer shall, limitedly for the period of 60 days from the date of the Prospectus, publish on its website a notice to the effect that it is using the Prospectus for such resale and placement in accordance with the consent of the Issuer and the conditions attached thereto. The consent provided herein shall no longer apply following the lapse of such period, if applicable.

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

If the investor is in doubt as to whether he/she can rely on the Prospectus and, or who is responsible for its contents, the investor should obtain legal advice in that regard. No person has been authorised to give any information or to make any representation not contained in or inconsistent with the Prospectus. If given or made, such information and, or representation must not be relied upon as having been authorised by the Issuer or the Nominee and Placement Agent. The Issuer does not accept responsibility for any information not contained in the Prospectus.

Any resale, placement or offering of Participation Notes to an investor by the Nominee and Placement Agent will be made in accordance with any terms and other arrangements in place between such Nominee and Placement Agent and such investor, including as to price, allocations, and settlement arrangements. Where such information is not contained in the Prospectus, it will be the responsibility of the Nominee and Placement Agent at the time of such resale, placement or offering to provide the investor with that information, and the Issuer has no responsibility or liability for such information.

4.2 Statement of authorisation

This Securities Note has been approved by the MFSA, as the competent authority under the Regulation. The MFSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note. Prospective investors should make their own assessment as to the suitability of investing in the Participation Notes.

5 KEY INFORMATION

5.1 Reasons for the Issue and use of proceeds

The proceeds from the Issue, will be utilised for the following purposes which funds shall be applied in the below-mentioned order of priority in the event that the Issue is not fully subscribed to:

- (i) €3,000,000 to be on-lent to JD Real Estate for its utilisation by way of part consideration for the acquisition of the Secured Property in terms of the Ta' Monita POSA;
- (ii) Approximately €600,000 to be on-lent to JD Real Estate to cover the costs associated with the acquisition of the Secured Property; and
- (iii) €1,400,000 by way of general corporate funding.

In the event that the Issue is subscribed for an amount of less than €4,000,000 (the “**Minimum Subscription Amount**”), no allotment of Participation Notes shall be made, the subscription of Participation Notes shall be deemed not to have been accepted by the Issuer and all money received from the Nominee and Placement Agent shall be returned by the Issuer, acting through the Nominee and Placement Agent, without interest, by direct credit transfer to the respective account number indicated in the respective subscription agreement by latest 30 January 2024. Neither the Issuer nor the Nominee and Placement Agent will be responsible for any loss or delays in transmission of the refunds or any charges in connection therewith.

In the event that the Minimum Subscription Amount is reached by the Issue is not fully subscribed, the Issuer will proceed with the Issue of the amount of Participation Notes subscribed for equal to or above the Minimum Subscription Amount and the proceeds of the Issue shall be applied for the purpose and in the order of priority set out above. The residual amount required by the Issuer for the purpose of the uses specified in this sub-section 5.1 which shall not have been raised through the Issue shall be financed from the Group’s own funds, bank financing and/or shareholder’s funding.

5.2 Estimated expenses and proceeds of the Issue

Professional fees and costs related to publicity, advertising, printing, registration, nominee and placement agent, management, selling commission, and other miscellaneous expenses in connection with the Issue are estimated not to exceed €150,000 and shall be borne by the Issuer. There is no particular order of priority with respect to such expenses.

5.3 Offer statistics

Amount	€5,000,000;
Denomination	Euro (€);
Form	the Global Note will be issued in fully certified and registered form without a coupon;
Issue Price	€1,000 per Participation Note;
ISIN	MT0001831230
Governing law and jurisdiction	The Global Note is governed by and shall be construed in accordance with Maltese law and the Maltese courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Global Note;
Interest	7.25% payable annually in arrears on the Interest Payment Dates;
Interest Payment Date	Annually on the 30 January of each year between and including each of the

	years 2025 and 2027, as from 30 January 2025, being the first Interest Payment Date, provided that any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day;
Issue Date	30 January 2024;
Listing	no application has been made, nor is it intended that an application be made, for the Global Notes and Participation Notes to be admitted on a regulated market or other trading platform;
Minimum subscription amount	should subscriptions for a total of at least €4,000,000 not be received, no allotment of the Participation Notes shall be made, the Applications for Participation Notes shall be deemed not to have been accepted by the Issuer and all money received from Applicants for Participation Notes shall be refunded accordingly;
Minimum amount per Application	minimum of €5,000 and multiples of €1,000 thereafter, applicable to each subscription agreement and to each underlying Applicant applying for Participation Notes;
Offer Period	08:30 hours on 18 December 2023 to 12:00 hours on 26 January 2024, both days included;
Plan of distribution	the Participation Notes are open for subscription through the Nominee and Placement Agent;
Redemption Date	30 January 2027 unless earlier purchased and cancelled or redeemed in the case of an Early Redemption or Conditional Early Redemption;
Redemption Value	at par (€1,000 per Participation Note);
Underwriting	the Notes are not underwritten.

5.4 Interest of natural and legal persons involved in the Issue

Save for possible subscription of the Participation Notes by the Nominee and Placement Agent and any fees payable to the Nominee and Placement Agent in connection with the Offer, so far as the Issuer is aware, no person involved in the Offer has an interest material to the Offer.

5.5 Expected timetable of principle events

1. Offer Period*	18 December 2023 – 26 January 2024 at 12:00 CET
2. Commencement of Interest on Participation Notes	30 January 2024
3. Announcement of basis of acceptance through a company announcement	30 January 2024
4. Refunds of unallocated monies, if any	30 January 2024
5. Issue of Participation Notes certificates	30 January 2024
6. Issue date of Global Note	30 January 2024

**The Issuer reserves the right to close the Offer Period before 30 January 2024 in the event of oversubscription, in which case the remaining events set out in 2-6 above will be brought forward and will take place in the same chronological order as set out above.*

6 INFORMATION CONCERNING THE SECURITIES TO BE OFFERED TO THE PUBLIC

Each Global Note shall be issued on the Terms and Conditions set out in this Securities Note and, by subscribing to or otherwise acquiring the Participation Notes, the Participation Noteholders are deemed to have knowledge of all the Terms and Conditions of the Notes hereafter described and to accept and be bound by the said Terms and Conditions.

6.1 General

- (i) The Issuer is making an offer to the public for participation in the Global Note through the issuance of the Participation Notes.

- (ii) The Global Note represents a principal amount of five million Euro (€5,000,000) due by the Issuer to the Nominee and Placement Agent under the terms of the Global Note. The Global Note is redeemable on the Redemption Date.
- (iii) The Global Note constitutes the general, direct, unconditional and secured obligations of the Issuer.
- (iv) The Participation Notes represent participations in the Global Note corresponding to the amount stated in the Participation Notes. A Participation Note represents the proportionate entitlement of a Participation Noteholder to the rights over the Global Note and in particular shall entitle the Participation Noteholder to receive the repayment of principal and interest on the Global Note. By executing the Subscription Agreement, the Participation Noteholder acknowledges and accepts that all enforcement action against the Issuer shall vest in the Nominee and Placement Agent and the Participation Noteholder shall not have the right to make any claim against the Issuer other than through the Security Trustee to the Nominee and Placement Agent. By subscribing to the Participation Notes, the Participation Noteholders irrevocably authorise the Nominee and Placement Agent for and on their behalf to exercise such rights, powers and discretions as are specifically delegated to it in terms of the Fiduciary Agreement, subject to the provisions of the Security Trust Deed, together with all such rights, powers and discretions as are incidental thereto, and to give a good discharge for all moneys payable under the Global Note.

6.2 Description of the Offer

- (i) The Offer by the Issuer consists of the issue of up to five million Euro (€5,000,000) seven point two five per cent (7.25%) Global Note 2027, to be issued to the Nominee and Placement Agent pursuant to and under the Terms and Conditions of the Global Note. Investors in Malta can participate in the Global Note by virtue of the subscription to Participation Notes.
- (ii) The Participation Notes relating to the Global Note shall be available for subscription during the Offer Period. Such subscription shall be for an amount of up to five million Euro (€5,000,000) and the Issuer shall make use of such proceeds in the manner set out in sub-section 5.1 above.
- (iii) The Offer Period shall close immediately upon attaining full subscription. The Issuer has not established an aggregate minimum subscription level for the Global Note. Accordingly, in the event that the Participation Notes representing the rights and interests of the Participation Noteholders in the Global Note are not fully subscribed, the subscribed portion of the Global Note shall be allocated in accordance with the terms of this Securities Note.
- (iv) The Global Note and Participation Notes will **NOT** be listed on the Official List or on any other regulated market on the Issue Date. The Directors have no intention of submitting an application for the admissibility of the Global Note and Participation Notes to listing and subsequent trading on any regulated market or other trading facility.
- (v) In the event that Applicants applying for Participation Notes have not been allocated any Participation Notes or have been allocated a number of Participation Notes which is less than the number applied for, the respective Applicant shall receive a full refund or, as the case may be, the balance of the price of the Participation Notes applied for but not allocated, without interest by direct credit into the Applicant's bank account as indicated by the Applicant in the Subscription Agreement by not later than 30 January 2024. Neither the Issuer nor the Nominee and Placement Agent will be responsible for any charges, loss or delays in transmission of the refunds. In this regard, any monies returnable to the Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act, 1994 (Cap. 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.
- (vi) There are no special rights attached to the Participation Notes other than the right of the Noteholders to the payment of interest and capital (as detailed in sub-section 6.5 below).
- (vii) The minimum subscription amount of Participation Notes that can be subscribed for by Applicants is €5,000 and in multiples of €1,000 thereafter.
- (viii) Participation Notes shall be placed by the Nominee and Placement Agent.
- (ix) The issue of the Global Note is made in accordance with the requirements of the Act and the Regulation.
- (x) The Notes are not underwritten. In the event that the Global Note and Participation Notes are not fully subscribed to, subject to the Minimum Subscription Amount, the Issuer will proceed with the issue of the amount of Participation Notes subscribed for.
- (xi) All Subscription Agreements shall be subject to the Terms and Conditions of the Participation Notes as set out in Annex 1B below, the terms of which shall form an integral part hereof.

6.3 Plan of distribution and allotment

Applications for subscriptions to the Participation Notes may be made through the Nominee and Placement Agent subject to a minimum Application of €5,000 and in multiples of €1,000 thereafter.

It is expected that Participation Notes certificates will be dispatched to Applicants by latest 30 January 2024. The said certificate and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act, 1994 (Cap. 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.

By not later than 30 January 2024, the Issuer shall announce the results and basis of acceptance of the Offer through a company announcement. Dealings in the Participation Notes shall not commence prior to the said notification.

6.4 Ranking of the Notes

The Notes, 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 among themselves. The Notes shall rank with priority or preference to all other present and future unsecured obligations of the Issuer, save for such exceptions as may be provided by applicable law, by virtue and to the extent of the Special Hypothec. Pursuant to the Trust Deed, the Issuer has agreed to constitute in favour of the Security Trustee for the benefit of Noteholders as beneficiaries, the Special Hypothec. The Special Hypothec will secure the claim of the Security Trustee, for the benefit and in the interest of Noteholders as beneficiaries, for the repayment of the principal and interest under the Notes by a preferred claim over the Secured Property.

6.5 Rights attaching to Participation Notes

Prospective Investors wishing to participate in the Global Note will be able to do so by duly executing a Subscription Agreement in relation to the Participation Notes. Execution of the Subscription Agreement will entitle such investor:

- (i) to participate in the Global Note with respect to the rights and benefits under the Global Note in the proportion that the amount of that subscription constitutes in relation to the face value of the Global Note;
- (ii) to have his/her/its name entered into the Register of Investors by the Nominee and Placement Agent as a Registered Investor in the Global Note;
- (iii) to receive from the Nominee and Placement Agent an acknowledgement of his/her/its interest in the Global Note by the issue of a Participation Note;
- (iv) to all such rights and benefits applicable to the Participation Noteholders as set out in the Prospectus; and
- (v) to all such rights and benefits applicable to Participation Noteholders as set out in the Fiduciary Agreement.

Upon execution of the Subscription Agreement, an investor will also be bound by and be deemed to have notice of all the provisions of the Fiduciary Agreement and the Terms and Conditions of the Global Note.

The Participation Note shall entitle the Participation Noteholders to rank *pari passu* according to the rights and interests held by each Participation Noteholder in the Fiduciary Asset in accordance with the terms of the Fiduciary Agreement.

6.6 Transferability

Participation Notes are transferable certificates issued by the Nominee and Placement Agent to a Registered Investor acknowledging the interest of the Registered Investor named therein in the Fiduciary Asset and evidences an entry in the Register of Investors held by the Nominee and Placement Agent. The Participation Notes will be issued in registered form and will not be issued in bearer form.

6.7 The Nominee and Placement Agent

The Issuer, as principal, has entered into the Fiduciary Agreement pursuant to which Calamatta Cuschieri Investment Services Ltd has been appointed as the Nominee and Placement Agent to hold the Fiduciary Asset on behalf of and as nominee for the Registered Investors *pari passu* according to the rights and interests held by each Registered Investor in the Fiduciary Asset as evidenced in the Register of Investors in accordance with the provisions of the Fiduciary Agreement.

The Nominee and Placement Agent will be the legal owner of the Fiduciary Asset which consists of the covenants of the Issuer to pay the principal under the Participation Notes and interests thereon and all the rights and benefits emanating from the Fiduciary Agreement. The Nominee and Placement Agent recognises the interests of the Registered Investors and in effect holds the Fiduciary Asset in the interest of and acts for the benefit of the Registered Investors under the Fiduciary Agreement. The Nominee and Placement Agent's role therefore includes the status of the Nominee and Placement Agent to enforce all the rights under the Participation Notes and the Fiduciary Agreement as well as to hold the Fiduciary Asset. As the legal owner of the Global Note and all rights attaching thereto the Nominee and Placement Agent will receive all payments of interest for distribution to the Registered Investors.

Similarly, the Issuer has appointed Calamatta Cuscheri Investment Limited as the Nominee and Placement Agent to hold the Global Note for the benefit of the Registered Investors *pari passu* according to the rights and interests held by each Registered Investor in the Global Note as evidenced in the Register of Investors in accordance with the provisions of the Prospectus. As the holder of the Global Note, the Nominee and Placement Agent will receive all payments of interest and principal for distribution to the Registered Investors.

It shall be incumbent on the Nominee and Placement Agent to ascertain that all other applicable regulatory requirements relating to subscription of Participation Notes by an Applicant are complied with, including without limitation the obligation to comply with all applicable requirements set out in Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 ("MiFIR") as well as applicable MFSA Rules for investment services providers. Provided that the Participation Notes are deemed to be complex instruments, they may not be distributed to retail clients before at least an Appropriateness Test has been carried out. Particularly, to the extent that the Nominee and Placement Agent provides investment advice in respect of a purchase of the Participation Notes by an Applicant, the Nominee and Placement Agent shall also be required to conduct a Suitability Test in respect of that Applicant and, based on the results of such test, be satisfied that an investment in the Participation Notes may be considered suitable for the Applicant.

For the purpose of this Securities Note, the term "Appropriateness Test" means the test conducted by the Nominee and Placement Agent, when providing an investment service (other than investment advice or portfolio management) in relation to the subscription for and the trading of the Participation Notes, for the purpose of the Nominee and Placement Agent determining (after collecting the necessary information) whether the investment service or the Participation Notes are appropriate for the prospective Applicant or prospective transferee. In carrying out this assessment, the Nominee and Placement Agent shall ask the Applicant or the prospective transferee to provide information regarding the Applicant or transferee's knowledge and experience so as to determine that the Applicant or transferee has the necessary experience and knowledge in order to understand the risks involved in relation to the Participation Notes or investment service offered or demanded, in accordance with the Conduct of Business Rulebook issued by the MFSA. In the event that the Nominee and Placement Agent considers, on the basis of the test conducted, that the subscription or transfer of Participation Notes is not appropriate for the Applicant or prospective transferee, the Nominee and Placement Agent shall warn the Applicant or transferee that an investment in the Participation Notes is not appropriate for the Applicant or transferee.

For the purpose of this Securities Note, the term "Suitability Test" means the process through which the Nominee and Placement Agent when providing investment advice or portfolio management services in relation to the subscription for and trading of Participation Notes obtains such information from the Applicant or prospective transferee as is necessary to enable the Nominee and Placement Agent to recommend to or, in the case of portfolio management, to effect for, the Applicant or prospective transferee, the investment service and trading in Participation Notes that are considered suitable for him/her, in accordance with the Conduct of Business Rulebook issued by the MFSA.

6.8 Interest

The Global Note shall bear interest from and including 30 January 2024 at the rate of 7.25% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment shall be affected on 30 January 2025 (covering the period 30 January 2024 to 29 January 2025). Any Interest Payment Date which falls on a day other than a Business Day shall be carried over to the next following day that is a Business Day. When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the number of days elapsed.

6.9 Limits of validity

In terms of article 2156 of the Civil Code, the right of Noteholders to bring claims for payment of interest and repayment of the principal on the Notes is barred by the lapse of five (5) years.

6.10 Yield

The gross yield calculated on the basis of the Interest, the Offer Price and the Redemption Value of the Notes is 7.25% per annum. The table below illustrated the gross yield at the different Early Redemption Dates:

Year	Redemption Price	Yield
2025	103.625	10.681%
2026	101.812	8.083%
2027	100.000	7.250%

6.11 Redemption and Purchase

Unless previously purchased and cancelled or redeemed in the case of an Early Redemption or Conditional Early Redemption, the Notes shall be redeemed at their nominal value (together with Interest accrued to the date fixed for redemption) on 30 January 2027. Subject to the provisions of this section 6.11, the Issuer may at any time purchase Participation Notes from willing sellers as agreed between both parties from time to time. Any purchase by tender shall be made available to all Participation Noteholders alike. All Participation Notes so redeemed or purchased will be cancelled forthwith and may not be re-issued or re-sold. The Nominee and Placement Agent shall accordingly cancel the participations in accordance with the terms of the Fiduciary Agreement and the Participation Note.

The Issuer reserves the right to redeem any or all of the Participation Notes on any Early Redemption Date on giving not less than thirty (30) Business Day's prior written notice to the Noteholders specifying the date on which such redemption shall be effected. Each Note may be redeemed only in whole and not in part and any partial redemption of the Participation Notes held by a Participation Noteholder shall be made only in multiples of €1,000. Any redemption of the Participation Notes prior to the Maturity Date shall take place by payment of all principal together with interest accrued and unpaid on the Participation Notes being so redeemed until the relevant Early Redemption Date. The notice of redemption shall be effective only on actual receipt by the relevant Participation Noteholders, shall be irrevocable and shall oblige the Issuer to make, and the Participation Noteholders to accept, such redemption on the date specified in the notice.

Any partial redemption of Participation Notes by the Issuer shall be effected by means of a redemption of Participation Notes held by each Participation Noteholder on a *pro rata* basis.

At any time prior to 30 January 2025, the Issuer may on any one or more occasions elect to initiate a Conditional Early Redemption by redeeming the aggregate principal amount of the Bonds issued, upon not less than 10 nor more than 60 days' notice to Noteholders, at a redemption price equal to 7.25% of the principal amount of the Participation Notes redeemed, plus accrued and unpaid interest and additional amounts, if any, to (but not including) the date of redemption. The Conditional Early Redemption prior to 30 January 2025 is subject to the condition that the Issuer make an application for the admissibility to listing of an offering to the public.

On or after 2025, the Issuer may on any one or more occasions redeem all or a part of Participation Notes as follows;

Year	Redemption Price
2025	103.625
2026	101.812
2027	100.000

6.12 The Security Interest

6.12.1 The Special Hypothec

The Notes shall be secured, upon Completion, by the Special Hypothec which shall be registered in favour of the Security Trustee, in terms of the Security Trust Deed. Details of the Security Trust Deed are contained in sub-section 6.13 of this Securities Note.

The Special Hypothec may be varied or reduced from time to time, as provided for in clauses 9.7 and 9.8 of the Security Trust Deed, insofar as the value of the property charged by the Special Hypothec from time to time shall not be less than the aggregate nominal amount of the Notes outstanding at the time together with an amount equivalent one (1) years' Interest payments on such outstanding Notes. In the event that the Special Hypothec be varied as aforesaid, the ranking of the Special

Hypothec may not be the same as the ranking of the Initial Security Interest. Moreover, the Security Trustee, if it is deemed to be in the interest of the Noteholders, may provide its consent for security to be granted by the Issuer which shall rank prior to the Initial Security Interest in terms of and under the conditions set out in clauses 9.7 and 9.8 of the Security Trust Deed, described in section 4.7 of this Securities Note. In such cases, the Security Trustee shall, in giving its consent, act for the benefit of Noteholders as he is obliged to do in terms of law (Article 3.1 of the Trusts and Trustees Act (Cap. 331 of the Laws of Malta)).

In terms of Article 1995 of the Civil Code, the property of a debtor is the common guarantee of his creditors, all of whom have an equal right over such property unless there exist between them 'lawful causes of preference'. Hypothecs are 'lawful causes of preference'.

A hypothec is a right created over the property of a debtor or of a third party for the benefit of the creditor, as security for the fulfilment of an obligation (Article 2011 of the Civil Code); a special hypothec is a hypothec which affects particular immovables (Article 2012 of the Civil Code).

The Special Hypothec created in favour of the Security Trustee for the benefit of the Noteholders shall secure the principal amount of the Notes still outstanding together with accrued interest thereon. However, in the event of enforcement, the Special Hypothec would be subordinate to any security interest which may arise by operation of law over the Secured Property.

6.12.2 The Cash Collateral

Furthermore, the Security Trustee shall, upon Completion, retain the Cash Collateral as additional security for the benefit of the Noteholders. The Cash Collateral shall be held on escrow by the Security Trustee for the on-lending to JD Real Estate for the acquisition of the Secured Property and the Skorba Property on the date of the deed of acquisition in relation to the Secured Property and the date of the share transfer agreement for the acquisition of J&J Developments in relation to the Skorba Property.

In terms of the Security Trust Deed, the Security Trustee may retain and pay to itself out of any monies or the proceeds of any investment in its hands upon the trusts of the Trust Deed all sums owing to it in respect of remuneration costs, charges, expenses or interest or by virtue of any release or indemnity granted to it and all such sums as aforesaid shall be so retained and paid in priority to the claims of the Noteholders.

6.13 The Security Trust Deed

The following does not purport to constitute an exhaustive summary of the Security Trust Deed. This sub-section 6.13 is simply intended to give an overview of the more salient provisions of the Security Trust Deed. For more information on the provisions of the Security Trust Deed, please refer to the Security Trust Deed which is available for inspection as indicated in section 14 of the Registration Document.

Terms in this sub-section 6.13 have the meaning assigned to them in the Security Trust Deed.

6.13.1 General provisions

The trust is constituted in terms of Article 2095E of the Civil Code, and is to be treated as constituted in the context of a commercial transaction in terms and for the purposes of the Trusts and Trustees Act (Cap. 331 of the Laws of Malta).

6.13.2 Safeguards for the Applicants

6.13.2.1 Conditions

The proceeds from the issue of the Notes shall be held by the Security Trustee for the on-lending to JD Real Estate the funds required for (i) the part-financing of the acquisition by it of the Secured Property including costs, taxes and expenses related thereto; and (ii) general corporate funding. All proceeds shall be released by the Security Trustee to the Issuer against the presentation by the Issuer to the Security Trustee of documentation to the satisfaction of the Security Trustee evidencing that the funds allocated for the acquisition of the Secured Property are required. Release of funds by the Security Trustee shall be subject to Completion.

6.13.2.2 Registration of the Special Hypothec

The Issuer shall, upon acquiring the Secured Property, register a special hypothec in favour of the Security Trustee, over the Secured Property, which shall be constituted for the aggregate amount of Notes outstanding on the Completion Date.

6.13.3 Variation or reduction of the Special Hypothec

The Security Trust Deed makes provision for the following:

- (i) In the event that any of the Notes are either redeemed or purchased and cancelled by the Issuer, the value of the Special Hypothec is to be reduced by an amount equivalent to the principal amount of the Notes so redeemed or purchased and cancelled.
- (ii) The Issuer has the right to have a part or parts of the property being secured by the Special Hypothec to be released from the effects of the Special Hypothec and/or to have the relative Special Hypothec waived or postponed, without substituting other property or money, provided that the property remaining immediately after such release or waiver shall have an aggregate value as shown by a valuation of not less than the aggregate nominal amount of the Notes and the interest payable thereon for a period of one (1) years. The Security Trust Deed defines 'valuation' as a valuation made by such professional valuer as may be nominated or approved by the Security Trustee (the 'Valuer') on the basis of applicable international standards or such other basis as the Security Trustee may approve, in the case of immovable property. The Issuer and the Security Trustee have the right to require a valuation at any time, at the Issuer's expense, and may require the release, waiver or postponement of the Special Hypothec as aforesaid within twelve (12) months of the date of the valuation. The Security Trustee may, subject to agreement with the Issuer, instead of requiring a valuation, treat the value of the property as being its proposed sale price.

6.13.4 Covenants and representations and warranties

The Issuer has covenanted various obligations with the Security Trustee which apply for the duration of the continuance of the Security Interest. These covenants may be enforced by the Security Trustee. Moreover, the Issuer has made a number of representations and warranties to the Security Trustee, that relies on such representations and warranties.

6.13.5 Functions and powers of the Security Trustee

The Security Trust Deed makes provision for various powers of the Security Trustee. Most notably, the Security Trustee may, by notice in writing to the Issuer, declare the Notes to have become immediately due and repayable in the case of an Event of Default under the Prospectus and may, through the Nominee and Placement Agent, take any proceedings against the Issuer as it may deem fit including the enforcement of the Security Interest if the Issuer fails to pay the principal amount as and when the Notes are due to be redeemed and failure continues for 30 days after written notice is given to the Issuer or at any time after the Notes have become immediately due and payable. The functions and powers of the Security Trustee shall not be liable for any error of judgement committed in good faith unless it is proved that it was grossly negligent in ascertaining the pertinent facts and the Security Trustee, its officer, employees and agents are entitled to be indemnified out of the property subject to the Security Interest so far as may be lawful in respect of all liabilities incurred in the execution of the trusts of the Security Trust Deed.

The Security Trustee may pay to itself out of the trust fund all sums owing to it in respect of remuneration costs, charge, expenses or interest, or by virtue of any indemnity from the Issuer to which it is entitled under the Security Trust Deed or by law or by virtue of any release of indemnity granted to it, out of any monies or the proceeds of any investments in its hands upon the trusts of the Security Trust Deed. All such sums shall be retained and paid in priority to the claims of the Noteholders and shall constitute an additional charge upon the property charged with the Security Interest.

6.13.6 Resignation and removal of Security Trustee

The Security Trustee may resign as security trustee by giving not less than three (3) months' notice in writing to the Issuer. The Issuer may remove the Security Trustee by giving him at least one (1) months' notice.

In the event of the Security Trustee giving notice or being removed, the Issuer undertakes to procure a new trustee to be appointed (the 'Successor Trustee'). The retirement or removal shall not become effective until such time as a Successor Trustee is appointed and the Security Interest is transferred to the Successor Trustee. Upon appointment of the Successor Trustee, references contained in the Security Trust Deed and the Prospectus to the Security Trustee shall be deemed to refer to the Successor Trustee.

The terms and conditions of the Security Trust Deed shall, upon subscription or purchase of any Participation Notes, be binding on such subscriber or purchaser as a beneficiary under the trust as if the Participation Noteholder had been a party to the Security Trust Deed and as if the Security Trust Deed contained covenants on the part of each Participation Noteholder to observe and be bound by all the provisions hereof, and the Security Trustee is authorised and required to do the things required of it by the Security Trust Deed.

6.14 Events of Default

Pursuant to the Trust Deed, the Security Trustee may in its absolute discretion, and shall upon the request in writing of the Global Noteholder, by notice in writing to the Issuer declare the Notes to have become immediately due and repayable at their principal amount together with accrued interest, upon the happening of any of the following events (“Events of Default”):

- (a) the Issuer fails to pay any interest under the Notes when due and such failure continues for a period of sixty (60) days after written notice thereof by the Security Trustee to the Issuer;
- (b) the Issuer fails to pay the Redemption Value of a Note when due and such failure continues for a period of sixty (60) days after written notice thereof by the Security Trustee to the Issuer;
- (c) the Issuer fails duly to perform or shall otherwise be in breach of any other material obligation contained in the Terms and Conditions of the Global Note and/or the Participation Note and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Security Trustee;
- (d) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be made or is taken for the payment of money in excess of €5,000,000 or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed;
- (e) the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent, within the meaning of Article 214(5) of the Act;
- (f) an order is made or an effective resolution passed for the dissolution, termination of existence, liquidation or winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division;
- (g) a judicial or provisional administrator is appointed upon the whole or any part of the property of the Issuer;
- (h) the Issuer ceases or threatens to cease to carry on its business or a substantial part thereof;
- (i) the Issuer commits a breach of any covenants or provisions contained in the Trust Deed and on its part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Security Trustee (other than any covenant for the payment of interests or principal monies owing in respect of the Notes);
- (j) it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder or under the Trust Deed;
- (k) the Issuer repudiates, or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Notes and/or the Trust Deed;
- (l) all, or in the sole opinion of the Security Trustee, a material part, of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Issuer are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government, provided that in the case of paragraphs (c), (d) and (g) to (l) the Security Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

Upon any such declaration being made as aforesaid the said principal monies and interest accrued under the Notes, shall be deemed to have become immediately payable at the time of the event which shall have happened as aforesaid. Provided that in the event of any breach by the Issuer of any of the covenants, obligations or provisions contained herein or in the Trust Deed due to any fortuitous event of a calamitous nature beyond the control of the Issuer, then the Security Trustee may, but shall be under no obligation so to do, give the Issuer such period of time to remedy the breach as in its sole opinion may be justified in the circumstances and if in its sole opinion the breach is remediable within the short term and without any adverse impact on the Noteholders.

Provided further that in the circumstances contemplated by this proviso, the Security Trustee shall at all times, to the extent deemed to be in the best interests of Noteholders, act on and in accordance with any directions it may receive from the Global Noteholder satisfying the conditions set out in the Trust Deed. The Security Trustee shall not be bound to take any steps to ascertain whether any event of default or other condition, event or circumstance has occurred or may occur, and, until it shall have actual knowledge or express notice to the contrary, the Security Trustee shall be entitled to assume that no such event of default or condition, event or other circumstance has happened and that the Issuer are each observing and performing all the obligations, conditions and provisions on their respective parts contained in the Notes and the Trust Deed.

6.15 Governing law and jurisdiction

The Notes, all the rights and obligations of the Noteholders and the Issuer, and any non-contractual matters arising out of or in connection therewith, shall be governed by and construed in accordance with Maltese law. Any dispute, legal action, suit or proceedings against the Issuer arising out of or in connection with the Notes and/or the Prospectus and/or any non-contractual matters arising out of or in connection therewith shall be brought exclusively before the Maltese courts. The Issuer and each Noteholder therefore irrevocably submits to the exclusive jurisdiction of the Courts of Malta to hear and determine any dispute, action, suit or proceedings as aforesaid.

6.16 Taxation

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Participation Notes, including their acquisition, holding and transfer as well as on any income derived therefrom or on any gains derived on the transfer of such Participation Notes.

The following is a summary of the anticipated tax treatment applicable to Noteholders in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive. The information below is based on an interpretation of tax law and practice relative to the applicable legislation, as known to the Issuer at the date of the Prospectus, in respect of a subject on which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation as well as the levels of tax on the subject matter referred to in the preceding paragraph, may change from time to time. This information is being given solely for the general information of investors. The precise implications for investors will depend, among other things, on their particular circumstances and on the classification of the Participation Notes from a Maltese tax perspective, and professional advice in this respect should be sought accordingly.

Malta tax on interest

Since interest is payable in respect of a Note which is the subject of a public issue and such interest should constitute "investment income" in terms of article 41(a)(iv)(1) of the Income Tax Act, Cap. 123 of the laws of Malta (the "Income Tax Act"), unless the Noteholder elects, by means of an instruction in writing sent to the Issuer in terms of article 35 of the Income Tax Act, to receive the interest gross of any withholding tax, or if the Noteholder does not fall within the definition of "recipient" in terms of article 41(c) of the Income Tax Act, interest shall be paid to such Noteholder net of a final withholding tax, currently at the rate of fifteen percent (15%) (ten percent (10%) in the case of certain types of collective investment schemes) of the gross amount of the interest, pursuant to article 33 of the Income Tax Act. Noteholders who do not fall within the definition of a "recipient" do not qualify for the abovementioned "investment income" final withholding tax and should seek advice on the taxation of such income as special rules may apply.

Article 41(c) of the Income Tax Act defines the term "recipient" for the purposes of the provisions applicable to "investment income", and includes, inter alia, a person (or a receiver, guardian, tutor, curator, judicial sequestrator, trustee, foundation or other fiduciary acting on behalf of a person) who is resident in Malta during the year in which "investment income" is payable to him/her, and EU/ EEA nationals (and their spouse where applicable) who are not resident in Malta for Maltese tax purposes but who apply the tax rates applicable to Maltese residents on the basis that the income that arises in Malta is at least 90% of their worldwide income.

The aforementioned withholding tax is considered a final tax and a Maltese resident individual Noteholder is not obliged to declare the interest so received in his or her income tax return (to the extent that the interest is paid net of tax). No person shall be charged to further tax in respect of such income. Furthermore, such tax should not be available as a credit against the recipient's tax liability or for a refund, as the case may be, for the relevant year of assessment in Malta. The Issuer is required to submit to the Maltese Commissioner for Revenue, the tax withheld by the fourteenth day following the end of the month in which the payment is made. The Issuer will also render an account to the Maltese Commissioner for Revenue of all payments of qualifying "investment income" as well as an account of the amounts so deducted, including the identity of the recipient.

In the case of a valid election in terms of article 35 of the Income Tax Act made by an eligible Noteholder resident in Malta to receive the interest due without the deduction of final tax, interest will be paid gross and such person will be obliged to declare the interest so received in his or her Maltese income tax return and be subject to tax on such interest at the standard rates applicable to such Noteholder at that time. Additionally, in this latter case the Issuer will advise the Maltese Commissioner for Revenue on an annual basis in respect of all interest paid gross and of the identity of all such recipients. Any such election made by a resident Noteholder at the time of subscription may be subsequently changed by giving notice

in writing to the Issuer. Such election or revocation will be effective within the time limit set out in the Income Tax Act.

In terms of article 12(1)(c)(i) of the Income Tax Act, Noteholders who are not resident in Malta and who satisfy the applicable conditions set out in the Income Tax Act should be exempt from tax in Malta on the interest received, they will receive interest gross, subject to the requisite declaration/evidence being provided to the Issuer in terms of law.

Exchange of information

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

The Common Reporting Standard and the Directive on Administrative Cooperation

The Organisation for Economic Co-operation and Development (“OECD”) has developed a global framework, commonly known as the Common Reporting Standard (“CRS”) for the identification and timely reporting of certain financial information on individuals, and controlling persons of certain entities, who hold financial accounts with financial institutions of participating jurisdictions in order to increase tax transparency and cooperation between tax administrations. Numerous jurisdictions, including Malta, have signed the OECD Multilateral Competent Authority Agreement, which is a multilateral agreement outlining the framework to automatically exchange certain financial and personal information as set out within CRS.

So as to introduce an extended automatic exchange of information regime in accordance with the global standard released by the OECD, CRS has also been adopted in the EU through the implementation of Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of tax information in the field of taxation. This has been transposed in Malta by means of Legal Notice 384 of 2015 amending the Cooperation with Other Jurisdictions on Tax Matters Regulations, Subsidiary Legislation 123.127 (“CRS Legislation”), and has been applicable since 1 January 2016. In terms of this legal notice, the automatic exchange of information obligations shall extend to jurisdictions that are not EU Member States with which there is a relevant arrangement in place.

Malta based financial institutions (defined as such for the purposes of CRS) are obliged to identify and annually report to the Malta Commissioner for Revenue financial accounts held by a reportable person, as defined under the CRS Legislation, including certain entities with one or more controlling persons, as defined under the CRS Legislation. Financial information relating to the Participation Notes and the holders thereof may fall within the purview of CRS and may be subject to reporting and information exchange provisions.

Under CRS, financial institutions resident in a CRS participating jurisdiction (such as Malta) would be required to apply onerous due-diligence procedures for the identification of reportable accounts. Noteholders may be required to provide certain information and certifications to financial institutions, such as qualifying custodians or any intermediaries, in order to satisfy their obligations under CRS. Certain confidential information in relation to the Noteholders and, or other reportable persons may be reported to the Commissioner for Revenue or other relevant overseas tax authorities and automatically exchanged pursuant to these arrangements with the tax administrations of other participating jurisdictions.

Investors are also advised to assess any reporting obligations in terms of Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements (‘DAC 6’), as transposed into Maltese domestic law by way of Legal Notice 342 of 2019 amending the CRS Legislation.

Investors are advised to seek professional advice in relation to the CRS Legislation and EU Council Directive 2014/107/EU. Not complying with the CRS rules may give rise to certain fines or closure of financial accounts.

The Exchange of Information (United States of America) (FATCA) Order

The United States of America (“U.S.”) has enacted rules, commonly referred to as ‘FATCA’, that generally impose a reporting regime and, in some cases withholding requirements, with respect to certain U.S. source payments (including dividends and interest), gross proceeds from the disposition of property that can produce U.S. source interest and dividends as well as certain payments made by, and financial accounts held with, entities that are classified as financial institutions under FATCA.

The U.S. has entered into an intergovernmental agreement with Malta dated 6 December 2013 regarding the implementation of FATCA in Malta which has been implemented into Maltese law through the Exchange of Information (United States of America) (FATCA) Order, Subsidiary Legislation 123.156 (“FATCA Legislation”).

Under the FATCA Legislation, financial institutions in Malta (defined as such for the purposes of FATCA) are required to satisfy applicable due diligence requirements to identify and report financial accounts held by specified U.S. persons, as defined under the FATCA Legislation, and certain non-U.S. entities, which are controlled by U.S. Controlling Persons, as defined under the FATCA Legislation, to the Malta Commissioner for Revenue. The Maltese Government and the Government of the U.S. shall annually exchange the information obtained pursuant to the FATCA Legislation on an automatic basis.

Financial account information in respect of holders of the Notes could fall within the scope of FATCA and they may therefore be subject to reporting obligations. In order to comply with its FATCA obligations, if any, the Issuer and, or its agent may be required to obtain certain information, forms and other documentation on the Noteholders to report information on reportable accounts to the Commissioner for Revenue, in accordance with applicable laws and regulations, which will in turn report this information to the Internal Revenue Service in the U.S. Noteholders should note that a specified U.S. person in terms of FATCA may include a wider range of investors than the current U.S. Person definition referred to in the Terms And Conditions of Application.

Financial institutions reserve the right to request any information and, or documentation required, in respect of any financial account, in order to comply with the obligations imposed under FATCA and any referring legislation. In the case of failure to provide satisfactory documentation and, or information, financial institutions may take such action as it thinks fit, including without limitation, the closure of the financial account.

Maltese taxation on capital gains arising on transfer of the Participation Notes

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

Duty on documents and transfers

In terms of the Duty on Documents and Transfers Act (Chapter 364 of the laws of Malta), (the “Duty on Documents and Transfers Act”), duty of 2% on the consideration or the real value (whichever is higher) is chargeable *inter alia* on the transfer *inter vivos* or transmission *causa mortis* of a “marketable security”. However, on the basis that the Participation Notes should not fall within the definition of a “marketable security”, defined in the Duty on Documents and Transfers Act as “a holding of share capital in any company and any document representing the same”, the transfer/transmission of the Participation Notes should not be chargeable to duty.

INVESTORS AND PROSPECTIVE INVESTORS ARE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND ANY FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF NOTES AS WELL AS INTEREST PAYMENTS MADE BY THE ISSUER. THE ABOVE IS A SUMMARY OF THE ANTICIPATED TAX TREATMENT APPLICABLE TO THE NOTES AND TO NOTEHOLDERS. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO PARTICIPATION NOTEHOLDERS WHO DO NOT DEAL IN SECURITIES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY.

ANNEX 1A – TERMS AND CONDITIONS OF THE GLOBAL NOTE

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €5,000,000 7.25% GLOBAL NOTE, REDEEMABLE ON 30 JANUARY 2027 BY JD CAPITAL PLC (THE “ISSUER” OR THE “COMPANY”) IN TERMS OF THE FIDUCIARY AGREEMENT AND THE PROSPECTUS.

THE ISSUE OF THE GLOBAL NOTE IS BEING MADE SUBJECT TO THE PROVISIONS OF THE FIDUCIARY AGREEMENT DATED 14 DECEMBER 2023 (HEREINAFTER REFERRED TO AS THE “FIDUCIARY AGREEMENT”) AND OF THESE TERMS AND CONDITIONS. A PARTICIPATION NOTEHOLDER AS WELL AS ANY PERSON HAVING AN INTEREST UNDER THE GLOBAL NOTE IS DEEMED TO HAVE INVESTED ONLY AFTER HAVING RECEIVED, READ AND UNDERSTOOD THE CONTENTS OF THIS DOCUMENT AND THEREFORE ONLY AFTER HAVING FULL KNOWLEDGE OF THE INFORMATION CONTAINED IN THIS DOCUMENT AND IS ACCORDINGLY DEEMED TO HAVE ACCEPTED ALL THE TERMS AND CONDITIONS SET OUT IN THIS DOCUMENT AND THE FIDUCIARY AGREEMENT.

ALL TERMS USED HEREIN SHALL UNLESS THE CONTEXT OTHERWISE REQUIRES OR UNLESS OTHERWISE DEFINED HAVE THE SAME MEANINGS ATTRIBUTED TO THEM IN THE PROSPECTUS AND THE FIDUCIARY AGREEMENT.

1. General

- a) The issuance of the Global Note has been duly authorised by a resolution of the Board of Directors of the Issuer of 30 November 2023 by virtue of the powers contained in the Memorandum and Articles of Association.
- b) The Global Note shall be issued to the Nominee and Placement Agent, as nominee for and for the benefit of the Registered Investors, which shall constitute the Fiduciary Asset.
- c) The Global Note shall constitute the Issuer as the true and lawful debtor of the Offer Amount in favour of the Nominee and Placement Agent on behalf of the Registered Investors.
- d) Unless previously purchased and cancelled or redeemed in the case of an Early Redemption or Conditional Early Redemption, the Global Note shall be redeemable at the nominal value including accrued but unpaid interest on the Redemption Date.

2. Form, Denomination and Title

The Global Note shall be issued in fully certificated and registered form, without a coupon. The Global Note shall be issued to the Nominee and Placement Agent for the Offer Amount and the Nominee and Placement Agent shall be entered in the Register of Global Noteholders as the holder of the Global Note. The Nominee and Placement Agent shall hold the Global Note as nominee for the benefit of the Registered Investors.

3. Interest

- a) The Global Note shall bear interest from and including 30 January 2024 at the rate of 7.25% per annum on the nominal value thereof, calculated and payable annually in arrears by the Issuer on each Interest Payment Date. The first interest payment will be affected on 30 January 2025 (covering the period 30 January 2024 to 29 January 2025). Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.
- b) The Global Note shall cease to bear interest from and including the Redemption Date unless, upon due presentation, payment of the principal in respect of the Global Note is improperly withheld or refused, or unless the Issuer defaults in respect of payment, in any of which event interest shall continue to accrue at the rate specified above plus one per cent (1%), but in any event not in excess of the maximum rate of interest allowed by Maltese law. In terms of article 2156 of the Civil Code (Chapter 16 of the laws of Malta), the right of Global Noteholders to bring claims for payment of interest and repayment of the principal on the Notes is barred by the lapse of five (5) years.
- c) When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a three hundred and sixty (360) day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed.

4. Status of the Notes

- a) The Global Note shall constitute the general, direct, unconditional and secured obligations of the Issuer. As at the date of this Securities Note, the Issuer does not have any subordinated indebtedness.
- b) The Issuer undertakes, for as long as any principal or interest under the Global Note remains outstanding, not to create or permit to subsist any Security Interest (as defined below), other than a Permitted Security Interest (as defined below), upon the whole or any part of their present or future assets or revenues to secure any Financial Indebtedness (as defined below) of the Issuer, unless, at the same time or prior thereto the Issuer's indebtedness under the Global Note is secured equally and rateably therewith, and the instrument creating such Security Interest so provides.

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

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

"Permitted Security Interest" means (A) any Security Interest arising by operation of law; (B) any Security Interest securing temporary bank loans or overdrafts in the ordinary course of business; (C) any other Security Interest (in addition to (A) and (B) above) securing Financial Indebtedness of the Issuer, exceeding 70% of the gearing ratio which shall be calculated by dividing the Group's net debt by its equity and net debt;

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

5. Payments

- a) Payment of the principal amount (with interest accrued and unpaid to the Redemption Date) as well as payment of interest on the Global Note shall be made in euro to the person in whose name such Global Note is registered as at the close of business fifteen (15) days prior to the date set for redemption or fifteen (15) days prior to the relevant Interest Payment Date (as the case may be) against surrender of the Global Note at the registered office of the Issuer or at such other place in Malta as may be notified by the Issuer. Such payment shall be affected by direct credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the Global Noteholder. The Issuer shall not be responsible for any loss or delay in transmission. Such payment shall be affected within seven (7) days of the date set for redemption or the Interest Payment Date (as the case may be).
- b) All payments with respect to the Global Note are subject in all cases to any pledge (duly constituted) of the Global Note and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments by the Issuer in respect of the Global Note shall be made gross of any amount to be deducted or withheld for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malta or authority thereof or therein having power to tax.
- c) No commissions or expenses shall be charged to the Global Noteholder in respect of such payments

6. Redemption

- a) Unless previously purchased and cancelled or redeemed in the case of an Early Redemption or Conditional Early Redemption, the Global Note shall be redeemed at the nominal value (together with interest accrued and which has remained unpaid to the date set for redemption) on the Redemption Date.
- b) The redemption of the Global Note shall take place by payment of all principal and interest accrued until the date of redemption. The notice of redemption shall be effective only on actual receipt by the Nominee and Placement Agent, shall be irrevocable and shall oblige the Issuer to make and the Nominee and Placement Agent to accept such redemption on the date specified in the notice.
- c) All or part of the Global Note being repurchased or redeemed shall be cancelled forthwith and may not be re-issued or re-sold.

7. Covenants by the Issuer

The Issuer hereby covenants in favour of the Nominee and Placement Agent for the benefit of Registered Investors, that at all times during which any of the Global Note shall remain outstanding:

- a) It shall, until the Global Note has been redeemed, pay to the Nominee and Placement Agent for the benefit of the Participation Noteholders interest at the rate of 7.25% per annum on each Interest Payment Date and the principal amount of the Global Note on the Redemption Date;
- b) It shall keep proper books of account, and shall deliver to the Nominee and Placement Agent at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified by the auditors of the Issuer respectively and copies of the auditors' and directors' reports thereon, together with copies of any other documents required by law to be attached thereto;
- c) It shall carry on and conduct its business in a proper and efficient manner.

8. Representations and Warranties

1. The Issuer represents and warrants to the Nominee and Placement Agent and each Participation Noteholder, and each of the Nominee and Placement Agent and Participation Noteholder rely on such representations and warranties, that:
 - (a) It is duly registered and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its properties and other assets under valid legal title;
 - (b) It has the power to execute, deliver, and perform its obligations under this document and the Fiduciary Agreement; and that all necessary corporate, shareholder and other action has been duly taken to authorise the execution, delivery and performance of the same, and further that no limitation on the powers of the Issuer to borrow or guarantee shall be exceeded as a result of the Fiduciary Agreement;
 - (c) This document and the Fiduciary Agreement constitute valid and legally binding obligations of the Issuer;
 - (d) The execution and performance of its obligations under and in compliance with the provisions of this document and the Fiduciary Agreement by the Issuer shall not:
 - i. contravene any existing applicable law, statute, rule or regulation or any judgement, decree or permit to which the Issuer is subject;
 - ii. conflict with or result in any breach of any terms of or constitute a default under any bond or other instrument to which the Issuer is a party, or is subject, or by which it or any of its property is bound;
 - iii. contravene any provision of the Issuer's Memorandum or Articles of Association;
 - (e) No litigation, arbitration or administrative proceeding is taking place, pending or, to the knowledge of the officers of the Issuer, threatened against the Issuer which could have a material adverse effect on its business, assets or financial condition of the Issuer and/or the Group;
 - (f) The Prospectus contains all material information with respect to the Issuer and the Group and that all information contained therein is in every material respect true and accurate and not misleading and that there are no other facts in relation to the Issuer, the Group, their business and financial position, the omission of which would in the context of issue of the Global Note make any statement in the Prospectus misleading or inaccurate in any material respect.
2. The Issuer further represents and warrants to the Nominee and Placement Agent and each Participation Noteholder that rely on such representations and warranties, that:
 - (a) Every consent, authorisation, approval or registration with, or declaration to governmental or public bodies or authorities or courts, required by the Issuer in connection with the execution, validity, enforceability of the Fiduciary Agreement or the performance of its obligations under the Fiduciary Agreement have been obtained or made and are in full force and effect and there has been no default in the observance of any of the conditions or restrictions, if any, imposed on, or in connection with, any of the same;
 - (b) No default mentioned in this document or the Fiduciary Agreement has occurred and is continuing.

9. Functions and Powers of the Nominee and Placement Agent

The Nominee and Placement Agent may, but shall not be bound to, unless requested to do so in writing by not less than seventy-five percent (75%) in value of the Registered Investors, enforce or take any step to enforce the covenants in clause 7 hereof, and (subject to any such request as aforesaid) may waive on such terms and conditions as it shall deem expedient any of the covenants and provisions hereinabove contained and on the part of the Issuer to be performed and observed.

The Nominee and Placement Agent shall only be bound to monitor financial information relating to the Issuer, on behalf of the Registered Investors, as shall be forwarded to the Nominee and Placement Agent by the Issuer on an annual basis.

Without prejudice to the powers and reliefs conferred on the Nominee and Placement Agent by applicable law and by the Fiduciary Agreement, the Nominee and Placement Agent shall have the following powers:

- a) To employ and pay at the reasonable cost of the Issuer in discharge of its duties any agent to do anything or transact any business to be done or transacted under the Fiduciary Agreement or this document, without being under any liability for any default of such agent; PROVIDED THAT prior to employing any agent as aforementioned, notice in writing of the estimated costs to be incurred is to be given to the Issuer;
- b) To rely on the advice of any lawyer, broker, surveyor, valuer or accountant or other professional person without incurring any liability for so relying notwithstanding that such professional person may have been employed by the Issuer or may otherwise not be disinterested and without incurring liability for any error in the transmission of any such advice or by reason of the same not being authentic;
- c) To delegate any of its discretions under the Prospectus and the Fiduciary Agreement to any officer or servant of the Nominee and Placement Agent believed by it to be competent and responsible and to delegate any of its powers and duties under the Prospectus and the Fiduciary Agreement to such persons (including any such officer or servant as aforesaid) as it shall think fit, and to confer power to sub-delegate, without incurring any liability for the default of any person to whom such discretions powers or duties are delegated or sub-delegated; and generally
- d) the Nominee and Placement Agent shall not be liable for any error of judgment committed in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts and the Nominee and Placement Agent, its officers and agents shall be entitled to be indemnified by the Issuer so far as may be lawful in respect of all liabilities incurred in the execution of the nominee relationship arising in terms of the Fiduciary Agreement.

10. Events of Default

The Nominee and Placement Agent may at its discretion, and shall upon the request in writing of not less than seventy five percent (75%) in value of the Registered Investors, by notice in writing to the Issuer declare the Global Note to have become immediately payable on the occurrence of any of the following events ("Events of Default"):

- a) the Issuer shall fail to pay any interest on the Global Note when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- b) the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in the Terms and Conditions of this Annex 1A and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- c) if the Issuer defaults for sixty (60) days in the payment of any principal monies owing in respect of the redemption of the Global Note when due; and/or
- d) if a Court order or other judicial process is levied or enforced upon or sued out against any material part of the properties of the Issuer and is not paid out, withdrawn or discharged within one month; and/or
- e) if the Issuer stops payment of its debts or ceases or threatens to cease to carry on its business; and/or
- f) if the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise insolvent; and/or
- g) within the meaning of section 214(5) of the Act, or any statutory modification or re-enactment thereof, a Court order or other judicial process is levied or enforced upon or sued out against any part of the property of the Issuer and is not paid out, withdrawn or discharged within one (1) months; and/or
- h) if a receiver is appointed of the whole or any material part of the properties of the Issuer and such appointment is certified by the Nominee and Placement Agent to be prejudicial in its opinion to the Registered Investors; and/or
- i) if an order is made or an effective resolution is passed for winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division the terms of which have been approved in writing by the Nominee and Placement Agent; and/or

- j) if the Issuer commits a breach of any of the covenants or provisions herein contained and on its part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Nominee and Placement Agent (other than any covenant for the payment of interests or principal monies owing in respect of the Global Note); and/or
- k) if any representation or warranty made, or deemed to be made, or repeated by, or in respect of the Issuer is or proves to have been incorrect in any material respect; and/or
- l) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of two million Euro (€2,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; and/or
- m) if it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder; and/or
- n) if the Issuer repudiates or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Global Note;
- o) all, or in the sole opinion of the Nominee and Placement Agent, a material part of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Company are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

Upon any such Event of Default occurring and not being remedied within the relevant cure period, as applicable, the Global Note and all principal monies and interest accrued shall be deemed to have become immediately due payable at the time of the event which shall have happened as aforesaid.

11. Register of Global Noteholders

The Issuer shall maintain a register, at its registered office or at such other place in Malta as the directors of the Issuer may determine, in which it shall enter the name and address of the Nominee and Placement Agent as the holder of the Global Note, together with particulars of the Global Note. A copy of such register shall at all reasonable times during business hours be open to inspection by the Nominee and Placement Agent at the registered office of the Issuer.

In the event that any Global Note represented by a certificate shall be worn out, defaced, destroyed or lost, it may be replaced on such evidence being produced and such indemnity (if any) being given as the Issuer may at its discretion require and in accordance with the Global Note register, and in the case of wearing out, or defacement, or change of address of the Global Noteholder, on delivery of the old certificate, and in the case of destruction or loss, on the execution of such indemnity as is considered necessary, and in any case upon the payment of €50 (fifty euro). In case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Issuer all expenses incidental to the investigation by the Issuer of the evidence of such destruction or loss and to such indemnity

12. Further Issues

The Issuer may, from time to time, without the consent of the respective Global Noteholder, create and issue further bonds, notes, debentures or any other debt securities having such terms as the Issuer (as applicable) may determine at the time of their issue.

13. Governing Law and Jurisdiction

The Global Note has been created, and the Offer relating thereto is being made, in terms of the Act. From its inception the Global Note, and all contractual arrangements arising therefrom, shall be governed by and shall be construed in accordance with Maltese law.

Any legal action, suit, action or proceeding against the Issuer arising out of or in connection with a Global Note shall be brought exclusively before the Maltese Courts and the Global Noteholder shall be deemed to acknowledge that it is submitting to the exclusive jurisdiction of the Maltese Courts as aforesaid.

14. Notices

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

ANNEX 1B – TERMS AND CONDITIONS OF THE PARTICIPATION NOTES

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE €5,000,000 7.25% PARTICIPATION NOTES, IN TERMS OF THE PROSPECTUS REDEEMABLE ON 30 JANUARY 2027 BY THE NOMINEE AND PLACEMENT AGENT.

THE ISSUE OF THE PARTICIPATION NOTES IS BEING MADE SUBJECT TO THE PROVISIONS OF THE FIDUCIARY AGREEMENT DATED 14 DECEMBER 2023 (HEREINAFTER REFERRED TO AS THE “FIDUCIARY AGREEMENT”) AND OF THESE TERMS AND CONDITIONS. A PARTICIPATION NOTEHOLDER AS WELL AS ANY PERSON HAVING AN INTEREST UNDER THE PARTICIPATION NOTES IS DEEMED TO HAVE INVESTED ONLY AFTER HAVING RECEIVED, READ AND UNDERSTOOD THE CONTENTS OF THE PROSPECTUS AND THIS DOCUMENT AND THEREFORE ONLY AFTER HAVING FULL KNOWLEDGE OF THE INFORMATION CONTAINED IN THE PROSPECTUS AND THIS DOCUMENT AND IS ACCORDINGLY DEEMED TO HAVE ACCEPTED ALL THE TERMS AND CONDITIONS SET OUT IN THIS DOCUMENT AND THE FIDUCIARY AGREEMENT.

ALL TERMS USED HEREIN SHALL UNLESS THE CONTEXT OTHERWISE REQUIRES OR UNLESS OTHERWISE DEFINED HAVE THE SAME MEANINGS ATTRIBUTED TO THEM IN THE PROSPECTUS AND THE FIDUCIARY AGREEMENT.

1) General

- a) The Global Note shall constitute the Issuer as the true and lawful debtor of the Offer Amount in favour of the Nominee and Placement Agent on behalf of the Registered Investors. The Participation Notes constitute the beneficial interest of the Participation Noteholders in the Global Note including the right to payment of principal and interest under the Global Note.
- b) The Participation Notes shall bear interest at a rate of seven point two five percent (7.25 per cent) per annum in accordance with the terms and conditions as set out in the Prospectus.
- c) The Participation Notes shall be redeemable at their nominal value including accrued but unpaid interest on the Redemption Date.
- d) The Participation Notes are freely transferable, provided that any individual holder of Participation Notes shall maintain at all times a minimum holding of €5,000 in the said Notes.

2) Form, Denomination and Title

- a) The Participation Notes shall be issued in fully certificated and registered form, without coupons. Participation Notes shall be issued under the signature of a duly authorised signatory of the Nominee and Placement Agent.
- b) The Nominee and Placement Agent shall maintain a Register of Investors which shall identify the Registered Investors from time to time. An entry in the Register of Investors shall be conclusive evidence of the beneficial interest of the person or persons named therein in the Global Note. The Register of Investors shall contain the following information:
 - i. Name of the Registered Investor;
 - ii. Address of the Registered Investor;
 - iii. Identity Card number (in the case of an individual);
 - iv. Company Registration Number (in the case of a company);
 - v. The value expressed in euro (€) of the beneficial interest of the Registered Investor in the Global Note; and
 - vi. Date of entry into the Register of Investors.

Every Registered Investor shall be entitled to be entered in the Register of Investors as a participant in the Global Note and shall be entitled to receive from the Nominee and Placement Agent a Participation Note acknowledging the Registered Investors’ beneficial interest in the Global Note and evidencing the appropriate entry in the Register of Investors.

- c) Any such Participation Note issued by the Nominee and Placement Agent in favour of a single or joint Registered Investor shall be for an amount not below five thousand euro (€5,000) and in multiples of one thousand euro (€1,000) each thereafter.
- d) In the case of joint Applications, reference to the Applicant in these terms and conditions is a reference to each of the joint Applicants, and liability therefor is joint and several. The person whose name shall be inserted in the field entitled "Applicant" on the Application, or first-named in the Register of Investors shall, for all intents and purposes, be deemed to be such nominated person by all those joint holders whose names appear in the field entitled "Additional Applicants" in the Application or joint holders in the Register of Investors, as the case may be. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Participation Note/s so held.

3) Interest

- a) The Participation Notes shall bear interest from and including 30 January 2024 at the rate of 7.25% per annum on the nominal value thereof, calculated and payable annually in arrears by the Issuer on each Interest Payment Date. The first interest payment will be affected on 30 January 2025 (covering the period 30 January 2024 to 29 January 2025). Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.
- b) When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a three hundred and sixty (360) day year consisting of twelve (12) months of thirty (30) days each, and in the case of an incomplete month, the number of days elapsed.
- c) The Participation Notes shall cease to bear interest from and including the Redemption Date

4) Payments

- a) Payment of the principal amount (with interest accrued and unpaid to the Redemption Date) as well as payment of interest on the Participation Notes shall be made in euro to the person in whose name such Participation Note is registered as at the close of business fifteen (15) days prior to the date set for redemption or fifteen (15) days prior to the relevant Interest Payment Date (as the case may be) against surrender of the Participation Note at the registered office of the Nominee and Placement Agent or at such other place in Malta as may be notified by the Nominee and Placement Agent. Such payment shall be affected by direct credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the Participation Noteholder. The Nominee and Placement Agent shall not be responsible for any loss or delay in transmission. The Nominee and Placement Agent shall affect payments of principal or interest within three (3) business days from the date of actual receipt of payment thereof from the Issuer.
- b) All payments with respect to the Participation Notes are subject in all cases to any pledge (duly constituted) of the Participation Notes and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments by the Nominee and Placement Agent in respect of the Participation Note shall be made net of any amount which the Nominee and Placement Agent is compelled to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malta or authority thereof or therein having power to tax.
- c) No commissions or expenses shall be charged to the Participation Noteholder in respect of such payments.
- d) The Nominee and Placement Agent shall only be under an obligation to effect payments of principal or interest to the Participation Noteholders if it has effectively received such payments from the Issuer. No liability shall attach to the Nominee and Placement Agent if it fails to affect such payments to Participation Noteholders when such failure is due to the nonpayment thereof by the Issuer.
- e) Payment of the principal and/or interest by the Issuer to the Nominee and Placement Agent under the Global Note shall relieve the Issuer from any further liability, to the extent of the payment made, towards the Participation Noteholders and the Participation Noteholders shall have no right or claim against the Issuer should they not receive the relative payment from the Nominee and Placement Agent.

5) Redemption

- a) Unless previously repurchased and cancelled or redeemed in the case of an Early Redemption or Conditional Early Redemption, the Participation Notes shall be redeemed at their nominal value (together with interest accrued to the date set for redemption) on the Redemption Date.
- b) Each Registered Investor may, even before the Redemption Date, apply to the Nominee and Placement Agent to have its Participation Notes or any part thereof cancelled, provided that in the case of a request for cancellation, the

cancellation request shall be for a minimum face value of €1,000 and multiples of €1,000 thereafter. The Nominee and Placement Agent may, but shall be under no obligation to, accede to such request, to be made in writing, by a Registered Investor. In the event that the Nominee and Placement Agent accedes to the Registered Investor's request it shall cancel the entry of such Registered Investor in the Register of Investors and the Participation Note of the Registered Investor concerned in whole or in part, as the case may be, for the nominal value of the Participation Note or that part thereof which is being cancelled. In such event (i) the Nominee and Placement Agent shall pay to the Registered Investor concerned the nominal value of that Registered Investor's Participation Notes and accrued and unpaid interest thereon; and (ii) the Nominee and Placement Agent shall be deemed to have a beneficial interest in the Global Note for the value corresponding to the cancellation.

- c) The Nominee and Placement Agent may also receive requests from persons willing to have a beneficial interest in the Global Note. The Nominee and Placement Agent may, from its own beneficial interest in the Global Note, if any, accede to such request, but shall be under no obligation to do so. In the event that the Nominee and Placement Agent accedes to such request it shall register the beneficial interest of such person in the Global Note in the Register of Investors and issue a Participation Note in terms of the provisions of these terms and conditions, against payment by the applicant of the value of his/her/its Participation Note.
- d) In the event that the Issuer repurchases the Global Note in whole or in part, the Nominee and Placement Agent shall repurchase an equivalent amount of Participation Notes, such amount to be split between the Participation Noteholders according to their participation in proportion to the aggregate holding of Participation Notes.
- e) In the event of a repurchase, the Participation Notes shall be cancelled in whole or in part. The Participation Noteholder shall hand over the Participation Note, and in case of a repurchase in part, receive a new Participation Note stating the new amount of the Participation Note.
- f) The Nominee and Placement Agent may, at its discretion, charge a fee to Registered Investors for each cancellation and subsequent entry made in the Register of Investors, which fee shall not exceed €60 per cancellation or subsequent entry.

6) Covenants by the Issuer

The Issuer hereby covenants in favour of the Nominee and Placement Agent for the benefit of Registered Investors, that at all times during which any of the Global Note shall remain outstanding:

- (a) It shall, until the Global Note has been redeemed, pay to the Nominee and Placement Agent for the benefit of the Participation Noteholders interest at the rate of 7.25% per annum on each Interest Payment Date and the principal amount of the Global Note on the Redemption Date, subject to the Issuer's option to redeem all or part of the Global Note on an Early Redemption Date;
- (b) It shall keep proper books of account, and shall deliver to the Nominee and Placement Agent at least five (5) days before the annual general meeting of the Issuer each year a copy of the balance sheet and profit and loss account of the Issuer certified by the auditors of the Issuer and copies of the auditors' and directors' reports thereon, together with copies of any other documents required by law to be attached thereto; and
- (c) It shall carry on and conduct its business in a proper and efficient manner.

7) Representations and Warranties of the Issuer

- (1) The Issuer represents and warrants to the Nominee and Placement Agent and each Participation Noteholder, and each of the Nominee and Placement Agent and Participation Noteholder rely on such representations and warranties, that:
 - a. It is duly registered and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its properties and other assets under valid legal title;
 - b. It has the power to execute, deliver, and perform its obligations under this document;
 - c. The Global Note constitutes valid and legally binding obligations of the Issuer;
 - d. The execution and performance of its obligations under and in compliance with the provisions of the Global Note by the Issuer shall not:
 - i. contravene any existing applicable law, statute, rule or regulation or any judgement, decree or permit to which the Issuer is subject;
 - ii. conflict with or result in any breach of any terms of or constitute a default under any bond or other instrument to which the Issuer is a party, or is subject, or by which it or any of its property is bound;

- iii. contravene any provision of the Issuer's Memorandum or Articles of Association;
 - e. No litigation, arbitration or administrative proceeding is taking place, pending or, to the knowledge of the officers of the Issuer, threatened against the Issuer which could have a material adverse effect on the business, assets or financial condition of the Issuer;
 - f. The Prospectus contains all material information with respect to the Issuer and that all information contained therein is in every material respect true and accurate and not misleading and that there are no other facts in relation to the Issuer, the Group and their business and financial position, the omission of which would in the context of issue of the Global Note make any statement in the Prospectus misleading or inaccurate in any material respect.
- (2) The Issuer further represents and warrants to the Nominee and Placement Agent and each Participation Noteholder that rely on such representations and warranties, that:
- a. Every consent, authorisation, approval or registration with, or declaration to governmental or public bodies or authorities or courts, required by the Issuer in connection with the execution, validity, enforceability of the Fiduciary Agreement or the performance of its obligations under the Fiduciary Agreement has been obtained or made and are in full force and effect and there has been no default in the observance of any of the conditions or restrictions, if any, imposed in, or in connection with, any of the same; and
 - b. No default mentioned in this document or the Fiduciary Agreement has occurred and is continuing

8) Functions and Powers of the Nominee and Placement Agent

- (1) The Nominee and Placement Agent may, but shall not be bound, unless requested to do so in writing by not less than seventy five percent (75%) in value of the Registered Investors, to enforce or take any step to enforce the covenants in clause 6 hereof, and (subject to any such request as aforesaid) may waive on such terms and conditions as it shall deem expedient any of the covenants and provisions hereinabove contained and on the part of the Issuer to be performed and observed.
- (2) The Nominee and Placement Agent shall only be bound to monitor financial information relating to the Issuer, on behalf of the Registered Investors, as may be forwarded to the Nominee and Placement Agent by the Issuer on an annual basis.
- (3) The Nominee and Placement Agent shall have the following powers:
 - a. To rely on the advice, opinion, direction, report, statement, certificate, or other information furnished by any lawyer, broker, surveyor, valuer or accountant or other professional person without incurring any liability for so relying notwithstanding that such professional person may have been employed by the Issuer or may otherwise not be disinterested and without incurring liability for any error in the transmission of any such advice or by reason of the same not being authentic; and
 - b. To delegate any of its discretions under the Prospectus to any officer or agent of the Nominee and Placement Agent believed by it to be competent and responsible and to delegate any of its powers and duties under the Prospectus to such persons (including any such officer or agent as aforesaid) as it shall think fit, and to confer power to sub-delegate, without incurring any liability for the default of any person to whom such discretions, powers or duties are delegated or sub-delegated.

9) Events of Default under the Global Note

The Nominee and Placement Agent may at its discretion, and shall upon the request in writing of not less than seventy-five percent (75%) in value of the Registered Investors, by notice in writing to the Issuer declare the Global Note to have become immediately payable on the occurrence of any of the following events ("Events of Default"):

- a) the Issuer shall fail to pay any interest on any Global Note when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- b) the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in these Terms and Conditions and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by the Global Noteholder; and/or
- c) if the Issuer defaults for sixty (60) days in the payment of any principal monies owing in respect of redemption of the Global Note when due; and/or
- d) if a Court order or other judicial process is levied or enforced upon or sued out against any material part of the properties

of the Issuer and is not paid out, withdrawn or discharged within one month; and/or

- e) if the Issuer stops payment of its debts or ceases or threatens to cease to carry on its business; and/or
- f) if the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent; and/or
- g) within the meaning of section 214(5) of the Act, or any statutory modification or re-enactment thereof, a Court order or other judicial process is levied or enforced upon or sued out against any part of the property of the Issuer and is not paid out, withdrawn or discharged within one (1) month; and/or
- h) if a receiver is appointed of the whole or any material part of the properties of the Issuer and such appointment is certified by the Nominee and Placement Agent to be prejudicial in its opinion to the Registered Investors; and/or
- i) if an order is made or an effective resolution is passed for winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division the terms of which have been approved in writing by the Nominee and Placement Agent; and/or
- j) if the Issuer commits a breach of any of the covenants or provisions herein contained and on their part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Nominee and Placement Agent (other than any covenant for the payment of interests or principal monies owing in respect of the Global Note);
- k) if any representation or warranty made, or deemed to be made, or repeated by, or in respect of the Issuer is or proves to have been incorrect in any material respect;
- l) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of two million Euro (€2,000,000) or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; and/or
- m) if it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder;
- n) if the Issuer repudiates or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Global Note;
- o) all, or in the sole opinion of the Nominee and Placement Agent, a material part of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Company is seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

Upon any such Event of Default occurring and not being remedied within the relevant cure period, as applicable, the Global Note and all principal monies and interest accrued shall be deemed to have become immediately due payable at the time of the event which shall have happened as aforesaid.

10) Registration and replacement of the Participation Notes

- a) A register of the Participation Notes shall be maintained by the Nominee and Placement Agent at its registered office or at such other place in Malta as the Nominee and Placement Agent may determine, wherein there will be entered the names and addresses of the Participation Noteholders and particulars of the Participation Notes held by them respectively and a copy of such register will at all reasonable times during business hours be open to inspection by Participation Noteholders at the registered office of the Nominee and Placement Agent.
- b) Any person becoming entitled to a Participation Note in consequence of bankruptcy or winding-up of a Participation Noteholder may, upon such evidence being produced as may from time to time properly be required by the Nominee and Placement Agent, request in writing the redemption and cancellation of such Participation Note followed by the issuance of a new Participation Note of the same amount and may elect either to be registered himself as Participation Noteholder or to have some person nominated by him registered as Participation Noteholder.

All redemptions are subject to any pledge (duly constituted) of the Participation Notes and to any applicable laws and regulations.

- c) In the event that any Participation Note represented by certificate shall be worn out, defaced, destroyed or lost, it may be replaced on such evidence being produced and such indemnity (if any) being given as the Nominee and Placement Agent may at its discretion require and in accordance with the Participation Note register, and in the case of wearing out, or defacement, or change of address of the Participation Noteholder, on delivery of the old certificate, and in the case of destruction or loss, on the execution of such indemnity as is considered necessary, and in any case upon the payment of fifty euro (€50). In case of destruction or loss, the person to whom such replacement certificate is given shall

also bear and pay to the Nominee and Placement Agent all expenses incidental to the investigation by the Nominee and Placement Agent of the evidence of such destruction or loss and to such indemnity.

- d) The Nominee and Placement Agent shall be required to provide the Issuer with an updated copy of the register of Participation Noteholders, including extracts therefrom, as may be required by the Issuer from time to time, and the Participation Noteholder shall by entering into the Subscription Agreement relative to the Participation Notes taken up by him be deemed to have given his express, unequivocal and irrevocable consent to the communication of such information to the Issuer.

11) Transferability of the Participation Notes

- a) The Participation Notes are freely transferable and once registered by the Nominee and Placement Agent, may be transferable in whole for a minimum face value of €1,000 (one thousand euro) and multiples of €1,000 (one thousand euro) thereafter.
- b) All transfers are subject in all cases to any pledge (duly constituted) of the Participation Notes and to any applicable laws and regulations.
- c) The cost and expenses of effecting any registration of transfer, except for the expenses of delivery by any means other than regular mail (if any) and except, if the Issuer shall so require, the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the person to whom the transfer has been made.
- d) Any person to whom the transfer has been made shall, upon such evidence being produced as may from time to time properly be required by the Nominee and Placement Agent, request in writing the transfer of such Participation Note from a registered Participation Noteholder and may elect either to be registered himself as Participation Noteholder or to have some person nominated by him registered as Participation Noteholder.
- e) The Nominee and Placement Agent will not register the transfer of Participation Notes for a period of fifteen (15) days preceding the due date for any payment of interest on the Participation Notes.

12) Meetings of Participation Noteholders

- a) The provisions of the Prospectus and of the Fiduciary Agreement may be amended with the approval of Registered Investors at a meeting called for that purpose by the Nominee and Placement Agent in accordance with the terms hereunder.
- b) In the event that the Issuer wishes to amend any of the provisions set out in the Prospectus or of the Fiduciary Agreement, it shall call upon the Nominee and Placement Agent, in writing, seeking its consent to such amendment or amendments. The Nominee and Placement Agent, prior to granting or refusing such consent, shall call a meeting of Participation Noteholders registered in the Register of Investors as at that date, by giving such Participation Noteholders not less than fourteen (14) days' notice in writing, setting out in the notice the time, place and date set for the meeting and the matters to be discussed thereat, including sufficient information on any amendment of the Prospectus or the Fiduciary Agreement that is proposed to be voted upon at the meeting and seeking the approval of the Participation Noteholders registered as aforesaid. Following a meeting of Participation Noteholders held in accordance with the provisions contained hereunder, the Nominee and Placement Agent shall, acting in accordance with the resolution(s) taken at the meeting, communicate to the Issuer whether its consent to a request of the Issuer is granted or withheld. Subject to having obtained the necessary approval by the said Participation Noteholders in accordance with the terms set out hereunder at a meeting called for that purpose as aforesaid, any such proposed amendment or amendments to the provisions set out in the Prospectus or Fiduciary Agreement shall subsequently be given effect to by the Issuer in consultation with the Nominee and Placement Agent.
- c) For all intents and purposes it is hereby set out that any meeting of Participation Noteholders, including but not limited to meetings held for the purposes set out in paragraphs (a) and (b) above, shall be held in accordance with the provisions of the Fiduciary Agreement and the procedure set out below.
- d) A meeting of Participation Noteholders shall be called by giving Participation Noteholders not less than fourteen (14) days' notice in writing, setting out in the notice the time, place and date set for the meeting and the matters to be discussed thereat.
- e) A meeting of Participation Noteholders shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting. For this purpose at least two (2) Participation Noteholders present, in person or by proxy, representing not less than fifty per cent (50%) in nominal value of the Participation Notes then outstanding, shall constitute a quorum. If a quorum is not present within thirty (30) minutes from the time scheduled for the

commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors to the Participation Noteholders present at that meeting. An adjourned meeting shall be held not earlier than five (5) days, and not later than fifteen (15) days, following the original meeting. At an adjourned meeting the number of Participation Noteholders present, in person or by proxy, shall constitute a quorum; and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.

- f) Once a quorum is declared present by the Chairman of the meeting (who shall be the person who in accordance with the memorandum and articles of association of the Issuer would chair a general meeting of members of the Issuer), the meeting may then proceed to business and address the matters set out in the notice convening the meeting. In the event of decisions being required at the meeting, the directors or their representative shall present to the Participation Noteholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken, including but not limited to why the Terms and Conditions of Issue of the Participation Notes ought to be amended as proposed by the Issuer. The meeting shall allow reasonable and adequate time to Participation Noteholders to present their views to the Issuer and the other Participation Noteholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Participation Noteholders present at the time at which the vote is being taken, and any Participation Noteholders taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.
- g) The voting process shall be managed by the Company Secretary under the supervision and scrutiny of the Auditors of the Issuer.
- h) The proposal placed before a meeting of Participation Noteholders shall only be considered approved if at least seventy-five percent (75%) in nominal value of the Participation Noteholders present at the meeting at the time at which the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.
- i) Save for the above, the rules generally applicable to the Issuer during general meetings of shareholders of the Issuer shall apply mutatis mutandis to meetings of Participation Noteholders.

13) Participation Notes held jointly

In respect of a Participation Note held jointly by several persons (including but not limited to husband and wife), the joint Participation Noteholders shall nominate one of their number as their representative and his/her name will be entered in the register with such designation. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Participation Note so held. In the absence of such nomination and until such nomination is made, the person first named on the register in respect of such Participation Note shall, for all intents and purposes, be deemed to be the registered holder of the Participation Note so held. The Nominee and Placement Agent shall not be bound to register more than three (3) persons as the joint Registered Investors.

14) Participation Notes held subject to usufruct

In the respect of a Participation Note held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the register. The usufructuary shall for all intents and purposes be deemed, vis-a-vis the Nominee and Placement Agent, to be the holder of the Participation Note so held and shall have the right to receive interest on the Participation Note, but shall not, during the continuance of the Participation Note, have the right to dispose of the Participation Note so held without the consent of the bare owner.

15) Governing law and jurisdiction

The Participation Notes and all contractual arrangements arising therefrom are governed by and shall be construed in accordance with Maltese law.

Any legal action, suit, action or proceeding against the Issuer arising out of or in connection with a Participation Note shall be brought exclusively before the Maltese Courts and the Participation Noteholders shall be deemed to acknowledge that they are submitting to the exclusive jurisdiction of the Maltese Courts as aforesaid.

16) Notices

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