

This Summary is issued in accordance with the provisions of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

## SUMMARY

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 BBG3000, Malta

*Nominee and Placement Agent*



**Calamatta Cuschieri**

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

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

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be 'JD', written over a 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

**This Summary is prepared in accordance with the requirements of the Regulation. This Summary contains key information which will enable investors to understand the nature and the risks of the Issuer, the Group and the Notes.**

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

## 1 INTRODUCTION AND WARNINGS

<b>Full legal and commercial name of the Issuer</b>	JD Capital p.l.c.
<b>Registered address</b>	HHF 303, Industrial Estate, Hal Far, Birzebbugia BBG 3000.
<b>Place of Registration and Domicile</b>	Malta
<b>Registration number</b>	C 82098
<b>Legal Entity Identification (LEI) Number</b>	391200C8XW0F6K1ROJ82
<b>Date of Registration</b>	9 August 2017
<b>Telephone number</b>	+356 21653689
<b>Email</b>	info@jsdimech.com
<b>Website</b>	<a href="https://www.jsdimech.com/investor-relations/">https://www.jsdimech.com/investor-relations/</a>
<b>ISIN</b>	MT0001831230
<b>Date of Approval</b>	12 December 2023
<b>Details of the competent authority approving the prospectus</b>	The Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Chapter 330 of the laws of Malta). The MFSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation. Such approval shall not be considered as an endorsement of the Issuer
<b>Name of the securities</b>	7.25% Secured Callable Notes 2025-2027 issued by the Issuer
<b>Address, telephone number and official website of the competent authority approving the prospectus</b>	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara, Malta, CBD 1010  Telephone number: +356 2144 1155 Official website: <a href="https://www.mfsa.mt">https://www.mfsa.mt</a>

Prospective investors are hereby warned that:

- i. This Summary is being provided to convey the essential characteristics and risks associated with the Issuer, the Group and the Global Note being offered pursuant to the Prospectus. This section of the Prospectus is merely a Summary and, therefore, should only be read as an introduction to the Prospectus. It is not, and does not purport to be, exhaustive and Investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this Prospectus. Any decision to invest in the Participation Notes should be based on consideration of the Prospectus as a whole by the investor;
- ii. An investment in the Participation Notes could result in the Investor's losing all or part of the investor's capital;
- iii. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff Investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before the legal proceedings are initiated;
- iv. Civil liability attaches only to those persons who have tabled this Summary, including any translation thereof, and who applied for its notification, but only if this Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent, or does not provide key information in order to aid Investors when considering whether to invest in such securities; and
- v. You are about to purchase securities that are not simple and may be difficult to understand.

## 2 KEY INFORMATION ON THE ISSUER

### 2.1 Who is the Issuer of the Notes?

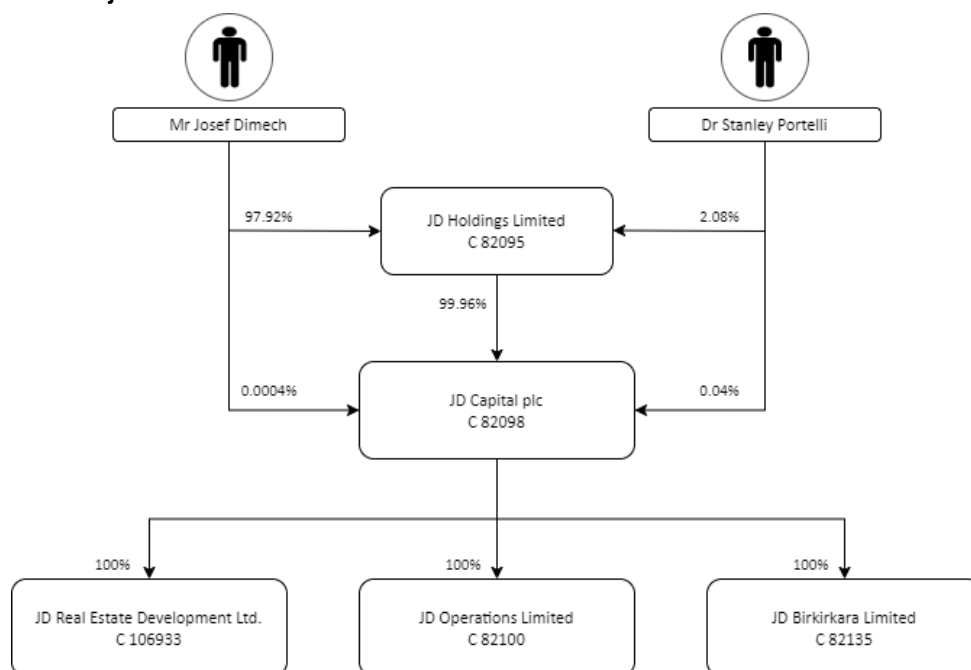
#### 2.1.1 Domicile and legal form

The Issuer has been incorporated and is domiciled in Malta as a public limited liability company in terms of the Companies Act. The Issuer's registered address is HHF 303, Industrial Estate, Hal Far, Birzebbugia BBG3000, Malta. The Issuer is incorporated and domiciled in Malta. Its LEI number is 391200C8XW0F6K1ROJ82.

#### 2.1.2 Principal activities of the Issuer

The Issuer is a holding and financing company that does not undertake any trading activities of its own. Accordingly, the Issuer is economically dependent on the financial and operating performance of the businesses of Group entities. The Issuer was incorporated on 9 August 2017 and was established as the holding company, financing, refinancing and investment arm of the Group. The Issuer, therefore, does not carry out any trading or operating activities of its own, other than the carrying out of financing and re-financing activities, including the advancing of funds to companies forming part of the Group to fund the Group's funding requirements as and when the demands of the Group's business so requires. Accordingly, the Issuer is economically dependent on the operations undertaken by its subsidiaries.

#### 2.1.3 Major Shareholders



As at the date of the Prospectus, the authorised and issued share capital of the Issuer is €7,546,700 divided 7,543,621 ordinary shares of a nominal value of one Euro (€1.00) each and 3,079 Ordinary A shares of a nominal value of one Euro (€1.00) each.

As at the date of the Prospectus, the entire issued share capital of the Issuer has been fully subscribed for as follows:

Name of Shareholder	Number of Shares	Class of Shares	Percentage (%) paid up
<b>JD Holdings Limited</b> (C 82095) HHF 303, Industrial Estate Hal Far, Birzebbugia, BBG 3000, Malta	7,543,590	Ordinary Shares	100
<b>Mr Josef Dimech</b> (ID 326179M) Blue Harbour Frobisher, B11 Ta' Xbiex Seafront, Ta' Xbiex, Malta	31	Ordinary Shares	100
<b>Dr Stanley Portelli</b> (ID 163472M) Dar il-Barbagann, Triq Strejnu, Zejtun, Malta	3,079	Ordinary A Shares	100

All ordinary shares rank *pari passu* in all respects, save that Ordinary A shares do not confer any rights in the Issuer except for the right to the return of capital upon winding up of the Issuer.

#### 2.1.4 Identity of the key managing directors

As at the date of the Prospectus, the Board of Directors of the Issuer is composed of the following persons:

Name and Identity Card number	Address	Designation
Josef Dimech (326179M)	Blue Harbour Frobisher, B11, Ix-Xatt Ta' Xbiex, Ta' Xbiex, Malta	Group CEO and Executive Director
Jesmond Manicaro (146078M)	55/4, St Michael's Court, Dajma Road, Tarxien TXN 9032, Malta	Independent Non-Executive Director
Jonathan Pace (248874M)	Ivy, Triq il-Kappella Ta' San Mikiel, Naxxar, Malta	Executive Director
Stephen Muscat (460561M)	17/1, Kevman Apartments, Triq id-Denci, Mellieha MLH 4410, Malta	Independent Non-Executive Director
Stanley Portelli (163472M)	Dar il-Barbagann, Triq Strejnu, Zejtun, Malta	Independent Non-Executive Director

#### 2.1.5 Statutory auditors of the Issuer

RSM Malta, a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Chapter 281 of the Laws of Malta).

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

The key consolidated financial information regarding the Issuer is set out below:

JD Capital p.l.c. - Consolidated	31-Dec 2022 Audited Euro '000	31-Dec 2021 Audited Euro '000	31-Dec 2020 Audited Euro '000	30-Jun 2023 Unaudited Euro '000	30-Jun 2022 Unaudited Euro '000
<u>Statement of Comprehensive Income</u>					
Profit / (loss) for the period	218	160	409	69	(110)
<u>Statement of Financial Position</u>					
Total assets	57,486	47,280	33,260	62,722	
<u>Statement of Cash Flows</u>					
Net cash flows generated from / (used in) operating activities	(7,491)	(1,728)	(1,008)	404	1,018
Net cash flows generated from / (used in) investing activities	(186)	1,542	(304)	(301)	(1,866)
Net cash flows generated from / (used in) financing activities	8,700	35	1,756	(754)	1,496

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

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

1. The Issuer is subject to general market and economic risks that may have a significant impact on its current and future property developments and their timely completion within budget and their profitable operation.
2. There are a number of factors that commonly affect the real estate development industry, many of which are beyond the Issuer's control, and which could adversely affect the economic performance and value of the real estate properties under development within the Project.
3. The Issuer may not be able to obtain the entirety of the capital it requires for the development or improvement of existing or new properties on commercially reasonable terms, or at all.

4. If the Group is unable to comply with the covenants and other undertakings, conditions, and warranties included in its re-financing arrangements in the future, the Issuer could be required to enter into financial arrangements, request waivers or replace borrowings with other financing in order to prevent a default.
5. A significant portion of the Issuer's costs are or will be fixed and the Issuer's operating results are vulnerable to short term changes in revenues. The Issuer's inability to react quickly to changes in revenue by reducing operating expenses could have a material adverse effect on its respective business, financial condition and results of operations.
6. The lack of liquidity and alternative uses of real estate investments could significantly limit the Issuer's ability to respond to adverse changes in the performance of its properties thereby potentially harming its financial condition.
7. All industries, including the real estate development industry, are subject to legal claims, with or without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit.
8. 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 properties, including of the Secured Property, referred to in the Prospectus reflects actual values that could be achieved on a sale, even where any such sale were to occur shortly after the valuation date.

### 3 KEY INFORMATION ON THE SECURITIES

#### 3.1 What are the main features of the Notes?

The Global Note is being issued to the Nominee and Placement Agent in an aggregate amount of up to €5,000,000 with a nominal value of €1,000 per Note, at the rate of 7.25% per annum. Unless previously purchased and cancelled or redeemed in the case of an Early Redemption or a Conditional Early Redemption, the Notes shall be redeemable at par on the respective Redemption Date. Investors in Malta can participate in the Global Note by virtue of the subscription to Participation Notes. The Global Note bears interest at the rate of 7.25% per annum on the nominal value of the Global Note. The first interest payment shall be effected on 30 January 2025 (covering the period 30 January 2024 to 29 January 2025).

The Global Note (ISIN: MT0001831230) constitutes the general, direct, unconditional and secured obligations of the Issuer. 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.

There are no special rights attached to the Participation Notes other than the right of the Noteholders to payment of interest and capital; seeking recourse in terms of the Special Hypothec in case of failure by the Issuer to pay any sum payable by it to Noteholders, ranking with respect to other indebtedness of the Issuer; attend, participate in and vote at meetings of Noteholders in accordance with the terms and conditions of the Participation Notes; and enjoy all such other rights attached to the Participation Notes emanating from the Prospectus.

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.

The minimum subscription amount of Participation Notes that can be subscribed for by Applicants is €5,000, and in multiples of €1,000 thereafter. 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 and multiples of €1,000 thereafter.

#### 3.2 Where will the Notes be traded?

The Participation Notes are transferable but will not be listed and traded on the Malta Stock Exchange or on any other regulated market.

#### 3.3 What are the key risks that are specific to the Notes?

##### 1. 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 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.

## 2. Status and ranking of the Notes and additional indebtedness or security

Notwithstanding that the Notes constitute the general, direct, unconditional and secured obligations, 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 Notes. Moreover, the Notes are complex financial instruments and may not be suitable for all recipients of the Prospectus.

## 3. Subsequent changes in interest rates

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, their prices decline and conversely, if market interest rates are declining, the price of fixed rate debt securities rise. This is called market risk since it arises only if a Participation Noteholder decides to sell the Participation Notes before maturity on the secondary market.

## 4. 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 Terms and Conditions of the Prospectus. 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.

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

## 4.1 Under which conditions and timetable can I invest in the Offer?

The issue and allotment of the Notes is conditional upon the Minimum Subscription Amount of €4,000,000 being subscribed for. In the event that this condition is not satisfied, the Nominee and Placement Agent shall return the proceeds of the Offer to the Applicants.

### 4.1.1 Expected timetable of principal events

1. Offer Period*	18 December 2023 to 26 January 2024
2. Commencement of interest on the 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 26 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.*

### 4.1.2 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 Investors 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 in terms of 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 of the Offer through a company announcement. Dealings in the Participation Notes may not commence prior to the said announcement.

#### **4.2 Total Estimated Expenses**

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

#### **4.3 Why is this Prospectus being produced?**

##### **4.3.1 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.

##### **4.3.2 Underwriting**

The Notes are not subject to an underwriting agreement.

##### **4.2.2 Conflicts of Interest**

Without prejudice to the potential conflicts of interest of Directors and save for the subscription for Notes by the Nominee and Placement Agent, and any fees payable in connection with the Offer to the Nominee and Placement Agent, in so far as the Issuer is aware, no person involved in the Offer has an interest material to the Issue.