

smartcare

FINANCE PLC

SECURITIES NOTE

SMARTCARE FINANCE P.L.C.

14 SEPTEMBER 2026

SECURITIES NOTE

Dated 14 September 2026

This document is an EU Follow-on Securities Note issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules published by the Malta Financial Services Authority and of the Prospectus Regulation. This EU Follow-on Securities Note is issued pursuant to the requirements of Rule 4.14 of the Capital Markets Rules and contains information about the Bonds. Application has been made for the admission to listing of the Bonds on the Official List of the Malta Stock Exchange. This EU Follow-on Securities Note should be read in conjunction with the latest EU Follow-on Registration Document issued from time to time containing information about the Issuer.

In respect of an issue of
€11,000,000 5.75% Secured Bonds 2036
of a nominal value of €100 per Bond issued at par by

smartcare
FINANCE PLC

a public limited liability company registered in Malta with company registration number C 90123,
with the joint and several Guarantee* of Smartcare Holdings Ltd (C 90121)

**Prospective investors are to refer to the Guarantee contained in Annex I of this EU Follow-on Securities Note for a description of the scope, nature and terms of the Guarantee. Prospective investors are also to refer to sub-section 5.5 of this EU Follow-on Securities Note for a description of the Collateral. Reference should also be made to the sections entitled "Risk Factors" contained in the Summary, in the EU Follow-on Registration Document and in this EU Follow-on Securities Note for a discussion of certain risk factors which should be considered by prospective investors in connection with the Bonds and the Guarantee provided by the Guarantor, as well as the Collateral granted by SBHL and BSS.*

THIS EU FOLLOW-ON SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ONLY APPROVES THE EU FOLLOW-ON PROSPECTUS AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE QUALITY OF THE SECURITIES THAT ARE THE SUBJECT OF THIS SECURITIES NOTE. INVESTORS SHOULD MAKE THEIR OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE SECURITIES THAT ARE THE SUBJECT OF THIS EU FOLLOW-ON SECURITIES NOTE.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE EU FOLLOW-ON 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 EU FOLLOW-ON PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. 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 ADVISOR.

LEGAL COUNSEL



VBADVOCATES

SPONSOR, MANAGER &
REGISTRAR



Approved by the Directors

ANDREW DEBATTISTA SEGOND

WILLIAM WAIT

signing in their capacity as Directors of the Company and for and on behalf of each of Sandro Grech, Adrian Sciberras, Isabella Vella and Saverio Laurretta.

IMPORTANT INFORMATION

THIS EU FOLLOW-ON SECURITIES NOTE CONSTITUTES PART OF THE EU FOLLOW-ON PROSPECTUS DATED 14 SEPTEMBER 2026 AND CONTAINS INFORMATION ABOUT SMARTCARE FINANCE PLC IN ITS CAPACITY AS ISSUER, ABOUT SMARTCARE HOLDINGS LTD IN ITS CAPACITY AS GUARANTOR AND ABOUT THE BONDS IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES ISSUED BY THE MALTA FINANCIAL SERVICES AUTHORITY, THE COMPANIES ACT AND THE PROSPECTUS REGULATION, AND SHOULD BE READ IN CONJUNCTION WITH THE EU FOLLOW-ON REGISTRATION DOCUMENT ISSUED BY THE ISSUER.

THIS EU FOLLOW-ON SECURITIES NOTE SETS OUT THE CONTRACTUAL TERMS UNDER WHICH THE BONDS ARE ISSUED BY THE ISSUER AND ACQUIRED BY A BONDHOLDER, WHICH TERMS SHALL REMAIN BINDING UNTIL THE REDEMPTION DATE OF THE BONDS, UNLESS THEY ARE OTHERWISE CHANGED IN ACCORDANCE WITH SUB-SECTION 6.16 OF THIS EU FOLLOW-ON SECURITIES NOTE.

THE INFORMATION CONTAINED HEREIN IS BEING MADE AVAILABLE IN CONNECTION WITH AN ISSUE BY THE COMPANY OF A MAXIMUM OF €11,000,000 SECURED BONDS 2036 OF A NOMINAL VALUE OF €100 EACH. THE BONDS SHALL BE ISSUED AT PAR AND BEAR INTEREST AT THE RATE OF 5.75% PER ANNUM PAYABLE ANNUALLY IN ARREARS ON 21 OCTOBER OF EACH YEAR UNTIL THE REDEMPTION DATE, WITH THE FIRST INTEREST PAYMENT FALLING DUE ON 21 OCTOBER 2027. THE NOMINAL VALUE OF THE BONDS WILL BE REPAYABLE IN FULL AT MATURITY ON 21 OCTOBER 2036. THE BOND ISSUE IS GUARANTEED JOINTLY AND SEVERALLY BY THE GUARANTOR.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, THE GUARANTOR OR THEIR RESPECTIVE DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF SECURITIES OF THE ISSUER, OTHER THAN THOSE CONTAINED IN THIS EU FOLLOW-ON 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, THE GUARANTOR OR THEIR RESPECTIVE DIRECTORS OR ADVISORS.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE EU FOLLOW-ON 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 EU FOLLOW-ON PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION: (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THE EU FOLLOW-ON 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 EU FOLLOW-ON PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY BONDS MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE EU FOLLOW-ON 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 OR THE GUARANTOR SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE EU FOLLOW-ON 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.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS OF 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 INDEPENDENT PROFESSIONAL ADVISORS AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE BONDS AND THE EU FOLLOW-ON PROSPECTUS.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THE EU FOLLOW-ON PROSPECTUS AND ANY PERSONS 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 SO APPLYING FOR ANY SUCH SECURITIES AND OF ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE PUBLIC 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 THIS EU FOLLOW-ON SECURITIES NOTE OR THE DISTRIBUTION OF THE EU FOLLOW-ON 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 EU FOLLOW-ON 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. PERSONS INTO WHOSE POSSESSION THE EU FOLLOW-ON PROSPECTUS, OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE EU FOLLOW-ON PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

THE BONDS HAVE 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 THE EU FOLLOW-ON PROSPECTUS HAS BEEN SUBMITTED TO THE MALTA FINANCIAL SERVICES AUTHORITY IN SATISFACTION OF THE CAPITAL MARKETS RULES, TO THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE COMPANIES ACT.

IN TERMS OF ARTICLE 12(1) OF THE PROSPECTUS REGULATION, THE EU FOLLOW-ON PROSPECTUS SHALL REMAIN VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE OF THE APPROVAL OF THE EU FOLLOW-ON PROSPECTUS BY THE MALTA FINANCIAL SERVICES AUTHORITY. THE ISSUER IS OBLIGED TO PUBLISH A SUPPLEMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKE OR MATERIAL INACCURACY RELATING TO THE INFORMATION SET OUT IN THE EU FOLLOW-ON PROSPECTUS WHICH MAY AFFECT THE ASSESSMENT OF THE SECURITIES AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE EU FOLLOW-ON PROSPECTUS IS APPROVED AND THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON A REGULATED MARKET COMMENCES, WHICHEVER OCCURS LATER. THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE EU FOLLOW-ON PROSPECTUS IS NO LONGER VALID.

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

UNLESS OTHERWISE STATED, 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 EU FOLLOW-ON PROSPECTUS. ACCORDINGLY, 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 BONDS.

THE ISSUER DISCLAIMS ANY AND ALL RESPONSIBILITY FOR ANY DEALINGS MADE, REPRESENTATIONS GIVEN, PROCESSES ADOPTED, FUNDS COLLECTED OR APPLICATIONS ISSUED BY AUTHORISED INTERMEDIARIES IN THEIR EFFORT TO PLACE OR RE-SELL THE BONDS SUBSCRIBED BY THEM.

ALL THE ADVISORS TO THE ISSUER NAMED IN SUB-SECTION 4.4 OF THE EU FOLLOW-ON REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE EU FOLLOW-ON PROSPECTUS.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. THE NOMINAL VALUE OF THE BONDS WILL BE REPAYABLE IN FULL UPON MATURITY. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE EU FOLLOW-ON PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE BONDS.

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1 • DEFINITIONS

Words and expressions and capitalised terms used in this EU Follow-on Securities Note, shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words, expressions and capitalised terms as indicated in the EU Follow-on Registration Document forming part of the EU Follow-on Prospectus. In this EU Follow-on Securities Note the following words and expressions shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

Applicant/s	any person or persons, natural or legal, who subscribes for the Bonds;
Application/s	the application to subscribe for Bonds made by an Applicant/s through any of the Authorised Intermediaries (which include the Sponsor, Manager & Registrar) in accordance with the terms of this EU Follow-on Securities Note;
Bond Issue Price	the price of €100 per Bond;
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;
CSD	the Central Securities Depository of the Malta Stock Exchange authorised in terms of Part IV of the Financial Markets Act (Chapter 345 of the laws of Malta), having its address at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
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;
Interest Payment Date	21 October of each year between and including each of the years 2027 and the year 2036, provided that if any such day is not a Business Day such Interest Payment Date will be carried over to the next following day that is a Business Day;
Intermediaries' Offer	the offer of Bonds to Authorised Intermediaries, either for their own account or for the account of underlying customers, as further detailed in sub-section 6.2 of this EU Follow-on Securities Note;
Issue Date	expected on 21 October 2026;
Offer Period	the period between 08:30 hours CET on 15 September 2026 and 12:00 hours CET on 13 October 2026 during which the Bonds are available for subscription (or such earlier date as may be determined by the Issuer);
MiFIR	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
Redemption Value	the nominal value of each Bond (€100 per Bond); and
Smartcare Security Trust 2021	the trust established in virtue of a security trust deed, in terms of the 2021 Smartcare Prospectus, dated 30 March 2021, as amended from time to time, and which deed is available for inspection at the registered office of the Issuer;
Terms and Conditions	the terms and conditions of the Bonds, set out in sub-section 5.3 (<i>'Issue Statistics'</i>), section 6 (<i>'Information concerning the Bonds'</i>) and section 8 (<i>'Terms and Conditions of the Bond Issue'</i>) of this EU Follow-on Securities Note.

All references in the EU Follow-on Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

- words importing the singular shall include the plural and vice-versa;
- words importing the masculine gender shall include the feminine gender and vice-versa;
- the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
- any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- any reference to a person includes that person's legal personal representatives, successors and assigns;
- 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
- 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 publication of this Securities Note.

2 • RISK FACTORS

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 BONDS IS REPAYABLE IN FULL UPON MATURITY, UNLESS THE BONDS ARE PREVIOUSLY RE-PURCHASED AND CANCELLED. THE ISSUER SHALL REDEEM THE BONDS ON THE REDEMPTION DATE.

AN INVESTMENT IN THE BONDS INVOLVES CERTAIN RISKS, INCLUDING THOSE DESCRIBED BELOW AND IN THE EU FOLLOW-ON REGISTRATION DOCUMENT. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS, THE RISK FACTORS CONTAINED IN THE EU FOLLOW-ON PROSPECTUS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE EU FOLLOW-ON PROSPECTUS, BEFORE DECIDING TO MAKE AN INVESTMENT IN THE BONDS. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE ORDER IN WHICH THE INDIVIDUAL RISKS ARE PRESENTED BELOW IS NOT INTENDED TO PROVIDE AN INDICATION OF THE LIKELIHOOD NOR THE SEVERITY OR SIGNIFICANCE OF INDIVIDUAL RISKS.

NEITHER THIS EU FOLLOW-ON SECURITIES NOTE, NOR ANY OTHER PARTS OF THE EU FOLLOW-ON PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE BONDS: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER, THE GUARANTOR, THE SPONSOR, THE MANAGER & REGISTRAR OR AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS SECURITIES NOTE OR ANY OTHER PART OF THE EU FOLLOW-ON PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE EU FOLLOW-ON PROSPECTUS OR ANY BONDS, SHOULD PURCHASE ANY BONDS ISSUED BY THE ISSUER.

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

2.1. Forward-looking statements

This EU Follow-on Securities Note contains “forward-looking statements” which include, among others, statements concerning matters that are not historical facts and which may involve projections of future circumstances. These statements by their nature involve a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer’s control, and important factors that could cause actual risks to differ materially from the expectations of the Directors. Such forecasts and projections do not bind the Issuer with respect to future results and no assurance can be given that future results or expectations covered by such forward-looking statements will be achieved.

2.2 General

An investment in the Issuer and the Bonds may not be suitable for all recipients of the EU Follow-on Prospectus and prospective investors are urged to consult an investment advisor licensed under the Investment Services Act (Chapter 370 of the laws of Malta) as to the suitability or otherwise of an investment in the Bonds before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor:

- i. has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference to the EU Follow-on Prospectus or any applicable supplement;
- ii. has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the prospective investor’s currency;
- iii. understands thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant indices and financial markets;
- iv. is able to evaluate possible scenarios for economic, interest rate and other factors that may affect his/her/its investment and his/her/its ability to bear the applicable risks; and
- v. is able to assess as to whether an investment in the Bonds shall achieve his/her/its investment objective.

2.3 Risks relating to the Bonds

An investment in the Bonds involves certain risks including, but not limited to, those described below:

Subsequent changes in interest rates and the potential impact of inflation

- The existence of an orderly and liquid market for the Bonds depends on a number of factors including, but not limited to, the presence of willing buyers and sellers of the Bonds at any given time. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market in which the Bonds are traded, over which the Issuer has no control. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price, or at all.
- Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. Investors should also be aware that the price of fixed rate bonds 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 prices of fixed rate bonds rise. This is called market risk since it arises only if a Bondholder decides to sell the Bonds before maturity on the secondary market.
- In view of the current inflationary environment, investment in the Bonds involves the risk that rising inflation on real rates of return in relation to coupon payments as well as secondary market prices may have an adverse impact on the value of the Bonds, such that increasing rates of inflation could have an adverse effect on the return on the Bonds in real terms.

Continuing Obligations

- Even after the Bonds are admitted to trading on the Official List of the MSE, the Issuer is required to remain in compliance with certain requirements relating, inter alia, to the free transferability, clearance and settlement of the Bonds in order to remain a listed company in good standing. Moreover, the Malta Financial Services Authority has the authority to suspend trading or listing of the Bonds if, inter alia, it comes to believe that such a suspension is required for the protection of investors or the integrity or reputation of the market. The Malta Financial Services Authority may discontinue the listing of the Bonds on the Official List. Any such trading suspensions or listing revocations/discontinuations could have a material adverse effect on the liquidity and value of the Bonds.

Amendments to the Terms and Conditions

- In the event that the Issuer wishes to amend any of the Terms and Conditions of the Bonds it shall call a meeting of Bondholders in accordance with the provisions of sub-section 6.16 of this EU Follow-on Securities Note. These provisions permit defined majorities to bind all Bondholders, including Bondholders who do not attend and vote at the relevant meeting and Bondholders who vote in a manner contrary to the majority. Furthermore, in terms of the Guarantee, the Guarantor has the power to veto a decision by the Bondholders, taken at a Bondholders' meeting duly convened and held, to amend or waive the Terms and Conditions of the Bonds which are issued with the benefit of its Guarantee, in cases in which such amendment or waiver may give rise to changes in: (i) the amount payable by the Guarantor under the Guarantee; (ii) the term and/or frequency of such payments; (iii) the Events of Default listed in sub-section 6.13 of this EU Follow-on Securities Note; and/or (iv) any other term which may otherwise increase the exposure of the Guarantor to the enforcement of the Guarantee. In the event that the Guarantor were to exercise such right of veto, the proposed amendment to, or waiver of, the Terms and Conditions would not be put into effect.

Currency of reference

- A Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different. Any adverse fluctuations may impair the return of investment of the Bondholder in real terms after taking into account the relevant exchange rate.

Future public offers

- No prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time. If such changes take place, they could have an adverse effect on the market price for the Bonds.

Changes in law

- The Bonds and the Terms and Conditions of the Bond Issue are based on the requirements of the Capital Markets Rules, the Companies Act and the Prospectus Regulation in effect as at the date of the EU Follow-on Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the EU Follow-on Prospectus.

2.4 Risks relating to the Guarantee and the Collateral

- The Bonds, as and when issued and allotted, shall constitute the general, direct and unconditional obligations of the Issuer, shall be secured by means of the Collateral granted in terms of the Security Trust Deed III and shall be guaranteed in respect of both the interest due and the principal amount under the Bonds by the Guarantor jointly and severally. In view of the fact that the Bonds shall be secured by the Collateral they shall rank with priority and preference over other present and future unsecured obligations of Segond Boutique Hotels Limited and Bella Sicilia Srl . Notwithstanding that the Bonds constitute the general, direct and unconditional obligations of the Issuer, as secured by Segond Boutique Hotels Limited and Bella Sicilia Srl and guaranteed by the Guarantor, they may rank after causes of preference which may arise by operation of law. 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 and/or Segond Boutique Hotels Limited and/or Bella Sicilia Srl which may rank with priority or preference over the Collateral.
- In view of the fact that the Bonds are being guaranteed by the Guarantor on a joint and several basis, the Bondholders shall be entitled to request the Guarantor to pay both the interest due and the principal amount under said Bonds if the Issuer fails to meet any amount when due in terms of the EU Follow-on Prospectus. The Guarantee also entitles the Bondholders to take action against the Guarantor without having to first take action against the Issuer, if the Issuer fails to pay any sum payable by it to Bondholders pursuant to the Terms and Conditions of the said Bonds. The strength of this undertaking on the part of the Guarantor and, therefore, the level of recoverability by the Bondholders from the Guarantor of any amounts due under any of the Bonds, is limited and dependent upon and is directly linked to the assets, the financial position and solvency of the Guarantor and the Group.
- Whilst the Collateral that is to be granted in favour of the Security Trustee for the benefit and in the interest of Bondholders grants the Security Trustee a right of preference and priority for repayment over the Collateral, there can be no guarantee that the value of the Collateral over the term of the Bonds will be sufficient to cover the full amount of interest and principal outstanding under the Bonds. This may be caused by a number of factors, not least of which are general economic factors that could have an adverse impact on the value of the relevant Collateral, specifically the value of the Security Property I, and the Security Property II. If such circumstances were to arise or subsist at the time that the Collateral 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 Bonds.
- By acquiring Bonds, a Bondholder is considered to be bound by the terms of the Security Trust Deed III as if he/she/it had been a party to it. The Security Trust Deed III contains a number of provisions which prospective investors ought to be aware of prior to acquiring the Bonds. For instance, in terms of the Security Trust Deed III: (i) the Security Trustee is not bound to take any such steps or proceedings or take any other action to enforce the security constituted by the Collateral unless the Security Trustee shall have been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing; and (ii) the Security Trustee may pay itself out of the trust funds all sums owing to it in respect of the remuneration costs, charges, expenses or interest or by virtue of any indemnity from the Issuer and/or Segond Boutique Hotels Limited and/or Bella Sicilia Srl to which it is entitled under the Security Trust Deed III or by law 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 Bondholders and shall constitute an additional charge upon the property charged with the Collateral.

3 • PERSONS RESPONSIBLE

This EU Follow-on Securities Note forms part of the EU Follow-on Prospectus prepared by the Issuer in accordance with the Prospectus Regulation, Commission Delegated Regulation (EU) 2026/773 and the Capital Markets Rules issued by the MFSA. Andrew Debattista Segond, William Wait, Sandro Grech, Adrian Sciberras, Isabella Vella and Saverio Lauretta, being all of the Directors of the Issuer as further detailed in sub-section 4.1 of the EU Follow-on Registration Document are identified as persons responsible for the information contained in this EU Follow-on Prospectus and accepts responsibility for the information contained herein.

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 EU Follow-on 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.

4 • CONSENT FOR USE OF THE EU FOLLOW-ON PROSPECTUS & AUTHORISATION STATEMENT

4.1 Consent required in connection with use of the EU Follow-on Prospectus by Authorised Intermediaries:

For the purposes of any subscription for Bonds through any of the Authorised Intermediaries in terms of this EU Follow-on Securities Note and any subsequent resale, placement or other offering of Bonds by such Authorised Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Regulation, the Issuer consents to the use of the EU Follow-on Prospectus (and accepts responsibility for the information contained herein in accordance with the terms hereof) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only:

- a) in respect of Bonds subscribed for through Authorised Intermediaries;
- b) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place in Malta; and
- c) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place within the period of 60 days from the date of the EU Follow-on Prospectus.

There are no other conditions attached to the consent given by the Issuer hereby which are relevant for the use of the EU Follow-on Prospectus.

All information on the Terms and Conditions of the Bonds which is offered to any prospective investor by Authorised Intermediaries is to be provided by such Authorised Intermediaries to the prospective investor prior to such investor subscribing to any Bonds. Any interested investor has the right to request that Authorised Intermediaries provide the investor with all and any information on the EU Follow-on Prospectus, including the Terms and Conditions of the Bonds.

Neither the Issuer, nor the Guarantor, or any of their respective advisors accept any responsibility for any actions of any Authorised Intermediary, including their compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to a resale, placement or other offering of Bonds.

Other than as set out above, neither the Issuer nor the Sponsor, Manager & Registrar have authorised (nor do they authorise or consent to the use of the EU Follow-on Prospectus in connection with) the making of any public offer of the Bonds by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Issuer or the Sponsor, Manager & Registrar and neither the Issuer nor the Sponsor, Manager & Registrar have any responsibility or liability for the actions of any person making such offers.

Prospective investors should enquire whether an intermediary is considered to be an Authorised Intermediary in terms of the EU Follow-on Prospectus. If the prospective investor is in doubt as to whether it can rely on the EU Follow-on 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 EU Follow-on Prospectus. If given or made, such information and/or representation must not be relied upon as having been authorised by the Issuer. The Issuer does not accept responsibility for any information not contained in the EU Follow-on Prospectus.

In the event of a resale, placement or other offering of Bonds by an Authorised Intermediary, said Authorised Intermediary shall be responsible to provide information to prospective investors on the terms and conditions of the resale, placement or other offering at the time such is made.

Any resale, placement or offering of Bonds to an investor by an Authorised Intermediary will be made in accordance with any terms and other arrangements in place between such Authorised Intermediary and such investor, including price, allocations and settlement arrangements. Where such information is not contained in the EU Follow-on Prospectus, it will be the responsibility of the relative Authorised Intermediary at the time of such resale, placement or other offering to provide the prospective investor with that information and the Issuer does not have any responsibility or liability for such information.

Any Authorised Intermediary using the EU Follow-on Prospectus in connection with a resale, placement or other offering of Bonds subsequent to the Bond Issue shall, limitedly for the period of 60 days from the date of the EU Follow-on Prospectus, publish on its website a notice to the effect that it is using the EU Follow-on Prospectus for such resale or 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.

Any new information with respect to Authorised Intermediaries unknown at the time of the approval of this EU Follow-on Securities Note will be made available through a company announcement which will also be made available on the Issuer's website: <https://smartcaremalta.com/smartcare-finance-plc/>.

4.2 Statement of Authorisation

This EU Follow-on Securities Note has been approved by the Malta Financial Services Authority as the competent authority under the Prospectus Regulation. The Malta Financial Services Authority only approves this EU Follow-on Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the quality of the Bonds that are the subject of this EU Follow-on Securities Note. This EU Follow-on Securities Note has been drawn up in accordance with Article 14a of the Prospectus Regulation. Investors should make their own assessment as to the suitability of investing in the Bonds.

5 • KEY INFORMATION

5.1 Reasons for the Bond Issue and use of proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €10,600,000, will be utilised for the following purposes, in the following amounts and order of priority:

1. an amount of *circa* €1,040,000 of the Bond Issue net proceeds will be used by Bella Sicilia Srl for the following purposes:
 - i. an amount of *circa* €460,000 will be used to part-finance acquisition costs in connection with the Laguna Project;
 - ii. an amount of *circa* €230,000 will be used to part-finance acquisition costs in connection with the agricultural farm adjacent to the Laguna Project; and
 - iii. an amount of *circa* €350,000 will be used for associated transactions and settlement costs, including professional payments, notarial fees, registration charges and related taxes incurred in relation to the above.details of which are set out in sub-section 5.5 of the EU Follow-on Registration Document;
2. an amount of *circa* €5,510,000 of the Bond Issue net proceeds will be used by Bella Sicilia Srl to part-finance construction and development costs of the Laguna Project, details of which are set out in sub-section 5.5 of the EU Follow-on Registration Document;
3. an amount of *circa* €750,000 of the Bond Issue net proceeds will be used by Segond Boutique Hotels Limited for the full repayment of an existing facility taken out with Lombard Bank Malta plc prior to the date of the EU Follow-on Prospectus, utilised to finance cost overruns and improvements carried out at the Segond Boutique Hotel and pre-opening expenses at the Segond Boutique Hotel, details of which are set out in sub-section 5.5 of the EU Follow-on Registration Document; and
4. the remaining balance of net Bond Issue proceeds in an amount of *circa* €3,300,000 will be used for the general corporate funding purposes of the Group.

Upon receiving the Bond Issue net proceeds, the Issuer will loan approximately €10,600,000 to SGIL. SGIL will, in turn, invest *circa* €7,300,000 into its subsidiaries, through fixed interest loans each repayable in tandem with the Redemption Date, as described below:

- a) *circa* €750,000 will be loaned by SGIL to SBHL at an interest rate of 7.2% pursuant to a loan agreement to be entered into for the purpose; and
- b) *circa* €6,550,000 will be loaned by SGIL to Bella Sicilia Srl at an interest rate of 7.2% pursuant to a loan agreement to be entered into for the purpose.

The remaining €3,300,000 of the Bond Issue net proceeds, shall be retained by SGIL and loaned out to the Subsidiaries of the Group as needed and in line with the business operations of the Group. Any amount loaned to the Subsidiaries shall be governed by a loan agreement to be entered into between SGIL and the relevant subsidiary and any such loan shall bear an interest rate of 7.2%.

In the event that the Bond Issue is subscribed for an amount of less than €7,000,000 (the “**Minimum Amount**”), no allotment of the Bonds shall be made, the subscription of Bonds shall be deemed not to have been accepted by the Issuer and all money received from Authorised Intermediaries shall be returned by the Issuer, acting through the Sponsor, Manager & Registrar, without interest, by direct credit transfer to the respective Authorised Intermediary to the account number indicated in the respective subscription agreement by latest 21 October 2026. Neither the Issuer nor the Sponsor, Manager & Registrar will be responsible for any loss or delays in transmission of the refunds or any charges in connection therewith. In this regard, any monies returnable to Authorised Intermediaries may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.

In the event that the Minimum Amount is reached but the Bond Issue is not fully subscribed, the Issuer will proceed with the allotment and listing of the amount of Bonds subscribed for equal to or above the Minimum Amount and the proceeds from

the Bond 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 Bond Issue shall be financed from the Group's own funds, bank financing, third party financing and/or shareholders' funding.

The issue and allotment of the Bonds is conditional upon: (i) the Minimum Amount of €7,000,000 being subscribed for; (ii) the Guarantee being granted in terms of Annex I to this EU Follow-on Securities Note; (iii) the Security Trust Deed III being duly executed and the Deeds of Hypothec being executed; and (iv) the Bonds being admitted to the Official List. In the event that any one or more of the aforesaid conditions are not satisfied the Sponsor, Manager & Registrar shall return the proceeds of the Bond Issue to Applicants.

5.2 Estimated expenses and proceeds of the Bond Issue

The Bond Issue will involve expenses, including professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, selling commission and other miscellaneous costs incurred in connection with the Bond Issue. Such expenses, which shall be borne by the Issuer, are estimated not to exceed approximately €400,000, with approximately €137,500 being attributed to selling commission fees and approximately €262,500 to professional, MSE, regulatory and ancillary fees. The amount of the expenses will be deducted from the proceeds of the Issue, which, accordingly, will bring the estimated net proceeds from the Bond Issue to approximately €10,600,000. There is no particular order of priority with respect to such expenses.

5.3 Issue statistics

Amount:	€11,000,000;
Bond Issue:	the issue of a maximum of €11,000,000 secured Bonds due in 2036 denominated in Euro having a nominal value of €100 each, which will be issued by the Issuer at par and shall bear interest at the rate of 5.75% per annum, redeemable on 21 October 2036;
Bond Issue Price:	at par (€100 per Bond);
Denomination:	Euro (€);
Events of Default:	the events listed in sub-section 6.13 of this EU Follow-on Securities Note;
Form:	the Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD;
Governing law and jurisdiction:	the EU Follow-on Prospectus and the Bonds are governed by and shall be construed in accordance with Maltese law. The Maltese Courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the EU Follow-on Prospectus and/or the Bonds;
Interest:	the Bonds shall bear interest from and including 21 October 2026 at the rate of five point seven five per cent (5.75%) per annum payable annually in arrears on the Interest Payment Dates;
Interest Payment Date:	annually on the 21 October of each year between and including each of the years 2027 and 2036, as from 21 October 2027 (the first interest payment date);
Intermediaries' Offer:	the full amount of the Bond Issue shall be offered for subscription by Authorised Intermediaries participating in the Intermediaries' Offer as set out in sub-section 6.2 of this EU Follow-on Securities Note. In the event that the aggregate of subscriptions received from Authorised Intermediaries pursuant to subscription agreements in terms of the Intermediaries' Offer is in excess of the amount of Bonds available for subscription, the Issuer (acting through the Registrar) shall scale down each subscription agreement received from Authorised Intermediaries in accordance with the allocation policy to be issued in terms of sub-section 6.4 of this EU Follow-on Securities Note;
ISIN:	MT0002251230;
Offer Period:	the period between 08:30 hours CET on 15 September 2026 and 12:00 hours CET on 13 October 2026 during which the Bonds are available for subscription, which offer period may close earlier with respect to any one or more classes of Applicants depending on the total level of subscription in the Bond Issue;

Listing:	the Malta Financial Services Authority has approved the Bonds for admissibility to listing and subsequent trading on the Official List. Application has been made to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List;
Minimum Amount	should subscriptions for a total of at least €7,000,000 (the “Minimum Amount”) not be received, no allotment of the Bonds shall be made, the Applications for Bonds shall be deemed not to have been accepted by the Issuer and all money received from Applicants for Bonds shall be refunded accordingly;
Minimum amount per Application:	one thousand Euro (€1,000) in nominal value of Bonds and in multiples of one hundred Euro (€100) thereafter per individual Bondholder;
Plan of distribution:	the Bonds are open for subscription by: Authorised Intermediaries pursuant to the Intermediaries’ Offer;
Redemption Date:	21 October 2036;
Redemption Value:	at par (€100 per Bond);
Status of the Bonds:	the Bonds, as and when issued and allotted, shall constitute the general, direct and unconditional obligations of the Issuer, shall be secured by means of the Collateral granted in terms of the Security Trust Deed III and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantor jointly and severally. The Bonds shall at all times rank pari passu, without any priority or preference among themselves, but shall rank with priority and preference in relation to all other present and future unsecured obligations of Segond Boutique Hotels Limited and Bella Sicilia Srl, if any, save for such exceptions as may be provided by applicable law, and with ranking and priority over the Security Property I, and the Security Property II;
Subscription:	multiples of one hundred Euro (€100); and
Underwriting:	the Bond Issue is not underwritten.

5.4 Interest of natural and legal persons involved in the Issue

Save as disclosed below, the Issuer is not aware of any interest, including any material conflicting interest, of any person involved in the Bond Issue.

Calamatta Cuschieri Investment Services Ltd is acting as Sponsor, Manager and Registrar to the Bond Issue and will receive fees payable by the Issuer in consideration for the services rendered in connection with the Bond Issue. In addition, Authorised Intermediaries, including Calamatta Cuschieri Investment Services Ltd acting in such capacity, may subscribe for Bonds pursuant to the Bond Issue and may therefore have an interest in the Bonds.

Andrew Debattista Segond is a director of the Issuer and the ultimate beneficial owner of the Group. As ultimate beneficial owner, he has an indirect economic interest in the successful completion of the Bond Issue, the proceeds of which will be applied by the Issuer in accordance with the purposes set out in this EU Follow-on Securities Note, including for the financing of the Group. The Issuer does not consider this interest to constitute a material conflict of interest in relation to the Bond Issue.

Save as aforesaid, the Issuer is not aware of any person involved in the Bond Issue having an interest, including a material conflicting interest, that is material to the Bond Issue.

5.5 Collateral

Security for the fulfilment of the Issuer’s Bond Obligations in terms of the Bond Issue is to be granted in favour of the Security Trustee for the benefit of Bondholders, by way, inter alia, of the granting of the Collateral, as described hereunder.

SBHL and BSS have agreed to grant the Collateral in favour of the Security Trustee for the benefit of Bondholders, as primary beneficiaries, in terms of the Security Trust Deed III and the Deeds of Hypothec, and for such purpose shall appoint the Security Trustee to hold and administer the Collateral under trust. The Collateral will secure the claim of the Security Trustee, for the benefit and in the interest of Bondholders, for the repayment of the full amount of the principal and interest under the Bonds by a preferred claim over the Collateral.

The Bonds will be secured by, and Bondholders shall have the benefit of, the following security rights granted by Second Boutique Hotels Limited and Bella Sicilia Srl, respectively, in favour of the Security Trustee:

- i. a first ranking special hypothec over the Security Property I up to an amount of €6,500,000 in favour of the Security Trustee in its capacity as trustee of the Smartcare Security Trust III pursuant to the terms of the Security Trust Deed III and the Deed of Hypothec I;
- ii. a first ranking special hypothec over the Security Property II up to an amount of €5,500,000 in favour of the Security Trustee in its capacity as trustee of the Smartcare Security Trust III pursuant to the terms of the Security Trust Deed III and the Deed of Hypothec II;
- iii. a pledge over the proceeds from the Insurance Policy I in favour of the Security Trustee in its capacity as trustee of the Smartcare Security Trust III pursuant to the terms of the Security Trust Deed; and
- iv. a pledge over the proceeds from the Insurance Policy II in favour of the Security Trustee in its capacity as trustee of the Smartcare Security Trust III pursuant to the terms of the Security Trust Deed, which will be taken out and revised, as necessary, as development cycles of Security Property II progress.

Specifically, the Issuer, Second Boutique Hotels Limited and Bella Sicilia Srl shall enter into a Security Trust Deed III with the Security Trustee which sets out the covenants of the Issuer to pay the principal amount under the Bonds on the Redemption Date and interest thereon on each Interest Payment Date in terms of the EU Follow-on Prospectus, the hypothecary rights under the Deeds of Hypothec and all other ancillary rights and benefits enjoyed by the Security Trustee (for the benefit of Bondholders) under the Security Trust Deed III. The Collateral will be vested in the Security Trustee for the benefit of the Bondholders in proportion to their respective holding of Bonds.

No provision contained in the EU Follow-on Prospectus, the Deeds of Hypothec and/or the Security Trust Deed III shall be construed as creating or otherwise acknowledging any obligation on the part of the Security Trustee in favour of the Bondholders for any payments that may fall due under the Bonds.

By creating a preferred claim over the Security Property I, and the Security Property II, the Collateral will secure the claim of the Security Trustee, for the benefit of and in the interest of Bondholders, for the repayment of the principal and interest due and accruing under the Bonds. Accordingly, following the issue of the Bonds and application of the Bond Issue proceeds in accordance with the terms of this EU Follow-on Securities Note, the Security Trustee will have the benefit of a hypothecary security over the Security Property I and the Security Property II for the full amount of the Bonds and interest thereon.

The Security Trustee's role includes holding and administering the Collateral for the benefit of the Bondholders and the enforcement of the said Collateral upon the happening of an Event of Default in terms of sub-section 6.13 of this EU Follow-on Securities Note. The Security Trustee shall have no payment obligations to Bondholders under the Bonds, which remain exclusively the obligations of the Issuer and the Guarantor.

The Security Trustee shall hold the said property under trust in relation to a commercial transaction (as defined in the Trust and Trustees Act, Chapter 331 of the laws of Malta) and transactions connected or ancillary thereto. Furthermore, the Security Trustee shall hold the said property under a security trust as provided in Article 2095E of the Civil Code (Chapter 16 of the laws of Malta). The Collateral shall, therefore, be constituted in the name of the Security Trustee in the manner provided for by applicable law of Malta for the benefit of the Bondholders and this for amounts owing to the Bondholders by the Issuer in terms of the EU Follow-on Prospectus, as may be amended from time to time, including amounts of interest or charges due in terms thereof, in relation to the Bonds.

In the event that the Issuer and/or SBHL and/or BSS commits any of the Events of Default set out in sub-section 6.13 below, as applicable, including default of the Issuer's obligations to repay any Bonds (together with interest and charges thereon) in terms of this EU Follow-on Securities Note, or any default under the Security Trust Deed III and/or under the Deeds of Hypothec, the Security Trustee shall have the authority to enforce the Collateral as set out hereunder.

The Security Trustee shall not be bound to take any steps to ascertain whether any Event of Default or other similar 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 Events of Default or condition, event or other circumstance has happened and that each of the Issuer and/or SBHL and/or BSS is observing and performing all the obligations, conditions and provisions on its part pursuant to the EU Follow-on Prospectus and the Security Trust Deed III, as applicable.

Following the Security Trustee's enforcement of the Collateral, the Security Trustee shall apply any available funds as follows:

- first to pay any sums due to the Security Trustee as trust administration costs or liabilities of the Security Trustee; and
- secondly to pay the Bondholders outstanding dues by the Issuer in terms of the EU Follow-on Prospectus.

Without prejudice to other powers and discretions of the Security Trustee in terms of the Security Trust Deed III and the Deeds of Hypothec, the Security Trustee shall have the discretion to enforce the Collateral on its own accord or upon receiving notice from the Bondholders that any of the Events of Default set out in sub-section 6.13 below has occurred in accordance with the provisions hereof.

The Security Trustee shall have the discretion to postpone any sale of the assets held on trust if the best value reasonably achievable for the said assets on the open market for the time being would not be considered a fair value in the opinion of the Security Trustee or in the opinion of any advisor appointed by the Security Trustee for the valuation of the said assets.

In terms of the Security Trust Deed III, the Security Trustee reserves the right to demand from the Issuer that additional or alternative immovable property owned by the Group be given as security in addition to and/or in place of the Security Property I, and the Security Property II, should at any given time the value of the Security Property I, and the Security Property II be reported, pursuant to an independent architect's valuation report, to be lower than the nominal value of outstanding Bonds in issue plus interest yet to accrue until the Redemption Date. In such case, the Issuer shall identify, at its discretion, which of the property/ies forming part of the Group's portfolio as at the date thereof, if any, would replace or be added to the existing Security Property I, and Security Property II for the purposes of securing the Bond Issue, and procure that the relative Group company takes such steps as may be necessary for such property/ies to replace or be added to the existing Security Property I and the Security Property II. In the event that, upon such request being made by the Security Trustee, the Group's property portfolio does not comprise any immovable property which is deemed suitable for the aforementioned purpose, the Issuer shall either: provide a cash guarantee in favour of the Security Trustee sufficient to cover the difference between the nominal value of outstanding Bonds in issue (plus interest yet to accrue until the Redemption Date) and the revised value of the Security Property I and the Security Property II as set out in the above-mentioned independent architect's valuation report; or take such steps as may be necessary to free any one or more of the immovable properties in the Group's property portfolio from any existing encumbrances, and grant a special hypothec thereon in favour of the Security Trustee for the purpose of securing the Bond Issue.

Furthermore, the Security Trustee shall retain the right, to be exercised in its sole and absolute discretion, to release part of the Collateral granted at the date of issue of the Bonds in the event the value of one or more of Security Property I and/or Security Property II, as determined pursuant to an independent architect's valuation report, increases such as to merit, in the opinion of the Security Trustee as aforesaid, the release of any part of the Collateral at any time throughout the term of the Bonds.

The terms and conditions of the Security Trust Deed III shall, upon admission to listing of the Bonds or subsequent purchase of any Bonds, be binding on such subscriber or purchaser as a beneficiary under the trust as if the Bondholders had been a party to the Security Trust Deed III and as if the Security Trust Deed III contained covenants on the part of each Bondholder to observe and be bound by all the provisions therein, and the Security Trustee is authorised and required to do the things required of it by the Security Trust Deed III.

In addition, in the event that any of the Collateral (whether in full or in part) is disposed of, the proceeds arising from such sale shall be deposited into a bank account pledged in favour of the Security Trustee, and such funds shall be pledged in favour of the Security Trustee for the benefit of the Bondholders until such time as the Issuer or any Group Company provides alternative security corresponding to the original amount secured by Security Property II. As stated above in this sub-section with respect to the Security Property I and the Security Property II and in terms of the Security Trust Deed III, the Security Trustee shall retain the discretion to substitute the security property held as collateral in terms of this EU Follow-on Securities Note with alternative security from time to time accordingly, and to release the pledged funds upon the provision of such alternative security, subject to an independent valuation report (where applicable) confirming to the satisfaction of the Security Trustee that the value of the security being substituted and added to the rights constituting the Collateral is at least equal to the value of the security to be removed as a security property at such date.

In the event where the Security Trustee makes declarations of trust indicating additional property settled on trust, or releases part of the property settled on trust as contemplated above, the Issuer shall make the necessary company announcement in accordance with the Capital Markets Rules to that effect.

No provision contained in the EU Follow-on Prospectus and/or the Security Trust Deed III shall be construed as creating or otherwise acknowledging any obligation on the part of the Security Trustee in favour of the Bondholders for any payments that may fall due under the Bonds.

In terms of the Security Trust Deed III, the Smartcare Security Trust III shall terminate in any of the following events, whichever is the earliest:

- upon the Issuer repaying all amounts outstanding to the Bondholders in terms of the EU Follow-on Prospectus and upon the Security Trustee receiving confirmation in writing to this effect from the Issuer and/or the MSE; or
- after one hundred and twenty-five (125) years from the date of the Security Trust Deed III; or
- on such earlier date as the Security Trustee shall declare in writing to be the date on which the relative trust period shall end, provided that such action is in accordance with the terms of the EU Follow-on Prospectus.

Every Bondholder shall be entitled to be entered in the register of Bondholders maintained by the CSD and shall, thereupon, become a primary beneficiary under the Security Trust Deed III. The beneficial interest of a primary beneficiary in terms of the Security Trust Deed III shall terminate upon such time as a Bondholder is no longer registered in the register of Bondholders maintained by the CSD, or upon the redemption of the principal amount of the Bonds and payment of all interest thereunder, as the case may be.

The Security Trustee shall, so far as is reasonable and within a reasonable time of receiving a request in writing to that effect, provide full and accurate information on the Security Trust Deed III to beneficiaries of the Smartcare Security Trust III and to the MFSA. A copy of the Security Trust Deed III may be inspected during the lifetime of the EU Follow-on Prospectus at the registered office of the Issuer as set out in section 16 of the EU Follow-on Registration Document.

Process for creation of the Collateral and release of Bond Issue proceeds to the Issuer

The Bond Issue proceeds shall be retained by the Sponsor, Manager & Registrar and be released to the Issuer or a designated Group entity on condition that: (i) the Security Trust Deed III has been duly executed and the Deeds of Hypothec have been executed; (ii) the Guarantee is duly and properly granted in terms of Annex I to this EU Follow-on Securities Note; and (iii) it receives confirmation that the Bonds will be admitted to the Official List by no later than 21 October 2026.

Following the presentation of confirmation of the foregoing conditions to the Sponsor, Manager & Registrar of the appropriate notes of hypothec, and upon the Bonds being admitted to the Official List, the Sponsor, Manager & Registrar shall release the Bond Issue proceeds to be applied for the purposes specified in sub-section 5.1 above.

5.6 Expected timetable of principal events

1	Offer Period*	15 September 2026 – 13 October 2026 at 12:00 CET
2	Announcement of basis of acceptance	16 October 2026
3	Commencement of interest on the Bonds	21 October 2026
4	Refunds of unallocated monies, if any	21 October 2026
5	Expected dispatch of allotment advices	21 October 2026
6	Expected date of admission of the Bonds to listing	21 October 2026
7	Expected date of commencement of trading in the Bonds	22 October 2026

** The Issuer reserves the right to close the Offer Period before 13 October 2026 depending on the total level of subscription in the Bond Issue, in which case some or all of the remaining events 2 to 7 (both included) set out above may be brought forward.*

6 • INFORMATION CONCERNING THE BONDS

Each Bond shall be issued on the Terms and Conditions set out in this EU Follow-on Securities Note and, by subscribing to or otherwise acquiring the Bonds, the Bondholders are deemed to have knowledge of all the Terms and Conditions of the Bonds hereinafter described and to accept and be bound by the said Terms and Conditions.

6.1 General

- 6.1.1 Each Bond forms part of a duly authorised issue of 5.75% secured bonds 2036 of a nominal value of €100 per Bond issued by the Issuer at par up to the principal amount of €11,000,000 (except as otherwise provided under sub-section 6.15 “Further Issues” below). The Issue Date of the Bonds is expected to be 21 October 2026. The Bonds are secured by the granting of the Collateral in favour of the Security Trustee for the benefit of Bondholders, as primary beneficiaries, in terms of the Security Trust Deed III. The Bond Issue is guaranteed by SHL.
- 6.1.2 The currency of the Bonds is Euro (€).
- 6.1.3 The Bonds shall bear interest at the rate of 5.75% per annum payable annually in arrears on 21 October of each year, with the first interest payment falling due on 21 October 2027 (covering the period between 21 October 2026 and 20 October 2027). 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.
- 6.1.4 Subject to admission to listing of the Bonds to the Official List, the Bonds are expected to be assigned ISIN: MT0002251230.
- 6.1.5 The Bonds are expected to be listed on the Official List on 21 October 2026 and dealing is expected to commence on 22 October 2026. Dealing may commence prior to notification of the amount allotted being issued to Applicants.
- 6.1.6 All outstanding Bonds not previously purchased and cancelled shall be redeemed by the Issuer at par (together with accrued interest up to the date fixed for redemption) on the Redemption Date.

- 6.1.7 In the event that any of the Applicants applying for Bonds have not been allocated any Bonds or have been allocated a number of Bonds which is less than the number applied for, the Applicant shall receive a full refund or, as the case may be, the balance of the price of the Bonds applied for but not allocated, without interest, by direct credit into the Applicant's bank account as indicated by the Applicant at any time before the Bonds are admitted to listing on the Official List of the MSE. Neither the Issuer nor the Registrar will be responsible for any loss or delay in transmission of such refunds or any charges in connection therewith. In this regard, 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 (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.
- 6.1.8 There are no special rights attached to the Bonds other than the right of the Bondholders to payment of interest and capital (as detailed in sub-section 6.6 below), the benefit of the Collateral through the Security Trustee (as detailed in sub-section 5.5 above), seeking recourse from the Guarantor pursuant to the Guarantee in case of failure by the Issuer to pay any sum payable by it to Bondholders pursuant to the Terms and Conditions of the Bonds detailed in this EU Follow-on Securities Note and in accordance with the ranking specified in sub-section 6.5 of this EU Follow-on Securities Note.
- 6.1.9 The minimum subscription amount of Bonds that can be subscribed for by Applicants upon subscription is €1,000, and in multiples of €100 thereafter.
- 6.1.10 The issue of the Bonds is made in accordance with the requirements of the Capital Markets Rules, the Act and the Prospectus Regulation.
- 6.1.11 The Bond Issue is not underwritten. Should subscriptions for a total of at least €7,000,000 (the "**Minimum Amount**") not be received, no allotment of the Bonds shall be made, the Applications for Bonds shall be deemed not to have been accepted by the Issuer and all money received from Authorised Intermediaries shall be returned by the Issuer, acting through the Registrar, without interest, by direct credit transfer to the respective Authorised Intermediary to the account number indicated on the respective subscription agreement by latest 21 October 2026. In the event that the Minimum Amount is reached but the Bond Issue is not fully subscribed, the Issuer will proceed with the allotment and listing of the amount of Bonds subscribed for.
- 6.1.12 All Applications shall be subject to the Terms and Conditions of the Bond Issue as set out in section 8 hereunder, the terms of which shall form an integral part hereof.

6.2 Intermediaries' Offer

The Bond Issue will be distributed by the Authorised Intermediaries participating in the Intermediaries' Offer. Accordingly, the Issuer has reserved the full amount of the Bond Issue for subscription by Authorised Intermediaries.

In this regard, the Issuer shall enter into conditional subscription agreements with a number of Authorised Intermediaries for the subscription of the Bonds, whereby it will bind itself to allocate Bonds thereto in accordance with the terms of such subscription agreements.

In terms of each subscription agreement entered into with an Authorised Intermediary, the Issuer will be conditionally bound to issue, and each Authorised Intermediary will bind itself to subscribe for, up to the total amount of Bonds as indicated therein, subject to (i) the Guarantee being granted by the Guarantor; the Collateral being constituted in favour of the Security Trustee in accordance with the provisions of the Security Trust Deed III; and (ii) the Bonds being admitted to trading on the Official List. The subscription agreements, which will be subject to the Terms and Conditions of the EU Follow-on Prospectus, will become binding on each of the Issuer and the respective Authorised Intermediaries upon delivery, provided that these intermediaries would have paid to the Registrar all subscription proceeds in cleared funds on delivery of the subscription agreement.

In terms of the subscription agreements, Authorised Intermediaries may subscribe for the Bonds either for their own account or for the account of underlying customers, including retail customers and shall in addition be entitled to either: (i) distribute to the underlying customers any portion of the Bonds subscribed for upon commencement of trading, or (ii) complete a data file representing the amount being allocated in terms of the respective subscription agreement as provided by the Registrar by latest 13 October 2026, being the closing of the Offer Period or such earlier date as may be determined by the Issuer. The minimum which each Authorised Intermediary may apply for in terms of the applicable subscription agreement is €1,000 and in multiples of €100 thereafter and such minimum and multiples shall also apply to each underlying Applicant.

The Issuer, acting through the Registrar, shall communicate the number of Bonds each Authorised Intermediary has been allocated in terms of the respective subscription agreement by latest 12:00 hours CET on 16 October 2026. Any amounts unallocated in terms of the subscription agreements shall be returned to the respective Authorised Intermediary by direct credit to the account indicated in the respective subscription agreement by latest close of business on 21 October 2026.

6.3 Plan of distribution and allotment

Applications for subscription to the Bonds may be made through any of the Authorised Intermediaries (which include the Sponsor, Manager & Registrar). The Bonds are open for subscription by all categories of investors; specifically, the Bonds shall be made available for subscription by Authorised Intermediaries through an Intermediaries' Offer.

Applications for subscriptions to the Bonds may be made through the Authorised Intermediaries (which include the Sponsor, Manager & Registrar) subject to a minimum Application of €1,000 and in multiples of €100 thereafter.

It is expected that an allotment letter will be issued by the Issuer to Applicants by or about 21 October 2026. The registration advice 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 (Chapter 373 of the laws of Malta) and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.

Dealings in the Bonds shall not commence prior to the Bonds being admitted to the Official List.

6.4 Allocation Policy

The Issuer shall allocate the entirety of the Bonds to Authorised Intermediaries participating in the Intermediaries' Offer as detailed in sub-section 6.2 above, without priority or preference and in accordance with the allocation policy determined by the Issuer, acting through the Registrar, which will be communicated by latest 21 October 2026. Any amounts unallocated in terms of the subscription agreements shall be returned to the respective Authorised Intermediary by direct credit to the account indicated in the respective subscription agreement by latest close of business on 21 October 2026.

The Issuer shall announce the result of the Bond Issue and the basis of acceptance and the allocation policy to be adopted through a company announcement by latest 16 October 2026.

The registration advice and other documents and any monies returnable to Authorised Intermediaries may be retained pending clearance of the remittance and any verification of identity as is required by the Prevention of Money Laundering Act (Chapter 373 of the laws of Malta). Such monies will not bear interest while retained as aforesaid.

6.5 Status and ranking of the Bonds

The Bonds, as and when issued and allotted, shall constitute the general, direct and unconditional obligations of the Issuer, as secured by means of the Collateral granted in terms of the Security Trust Deed III and shall be guaranteed in respect of both the interest due and the principal amount under the Bonds by the Guarantor jointly and severally. The Bonds shall at all times rank *pari passu*, without any priority or preference among themselves, but, in view of the fact that the Bonds shall be secured by the Collateral, shall rank with priority and preference over other present and future unsecured obligations of Segond Boutique Hotels Limited and Bella Sicilia Srl, if any, save for such exceptions as may be provided by applicable law.

Pursuant to the terms of the Security Trust Deed III, Segond Boutique Hotels Limited and Bella Sicilia Srl have agreed to constitute in favour of the Security Trustee for the benefit of Bondholders, as primary beneficiaries, security over the Collateral and to appoint the Security Trustee to hold and administer the Collateral under trust. The Collateral will secure the claim of the Security Trustee, for the benefit and in the interest of Bondholders, for the repayment of the principal and interest under the Bonds by a preferred claim over the Security Property I and the Security Property II.

The Collateral shall be held by the Security Trustee for the benefit of the Bondholders and, accordingly, the Bonds shall rank with priority and preference over other present and future unsecured obligations of Segond Boutique Hotels Limited and Bella Sicilia Srl. Notwithstanding the aforesaid, similar charges accorded by law in specific situations may arise during the course of the business of the Issuer and/or Segond Boutique Hotels Limited and/or Bella Sicilia Srl which may rank with priority or preference to the Bonds and/or the Collateral, as applicable. It is further noted that in terms of the Security Trust Deed III, the Security Trustee may pay itself out of the trust fund all sums owing to it in respect of the remuneration costs, charges, expenses or interest or by virtue of any indemnity from the Issuer and/or Segond Boutique Hotels Limited and/or Bella Sicilia Srl to which it is entitled under the Security Trust Deed III or by law 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 Bondholders and shall constitute an additional charge upon the property charged with the Collateral.

The following sets out a summary of the Group's indebtedness which as at 31 August 2026 amounted in aggregate to €21,628,100 (twenty-one million six hundred and twenty-eight thousand one hundred Euro) and includes corporate bonds and other borrowings:

Borrowings	31-Aug-26
<i>Company / Facility</i>	€000s
Smartcare Developments Ltd.	
FCM loan account – Żurrieq (EUR 287k)	287.00
FCM loan account – Żebbuġ (EUR 560k)	560.00
Żurrieq additional	33.60
Żebbuġ additional	104.50
Smartcare Developments Ltd. subtotal	985.10
Segond Boutique Hotels Ltd.	
Lombard loan	692.00
Segond Boutique Hotels Ltd. subtotal	692.00
Total borrowings	1,677.10
Debt Securities in Issue	
<i>Description</i>	€000s
4.65% secured bonds 2031	13,000.00
4.65% secured bonds 2032	7,500.00
Unamortised bond issue costs	(549.00)
Total debt securities	19,951.00
Total indebtedness	21,628.10

Further details on the aforesaid indebtedness are found in the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2025, which have been published on the Issuer's website (www.smartcaremalta.com) and are available for inspection at its registered office during office hours for the term of the Bonds.

The total indebtedness of the Group shall, throughout the term of the Bonds, remain within acceptable limits and in any case not exceed 65% of the Group's net gearing ratio, which shall be calculated, with reference to the most recent published financial information available (whether audited or unaudited), by dividing the Group's net debt by its equity and net debt, every time the entry into a new material non-interest-bearing debt or new interest-bearing loan is contemplated or, in the absence thereof, at least once every 12 months from the date of the publication of the Issuer's audited financial statements.

6.6 Rights attaching to the Bonds

This EU Follow-on Securities Note incorporates the Terms and Conditions of the Bond Issue and, in its entirety, creates the contract between the Issuer and a Bondholder.

A Bondholder shall have such rights as are, pursuant to this EU Follow-on Securities Note, attached to the Bonds, including:

- i. the payment of interest;
- ii. the repayment of capital;
- iii. the benefit of the Collateral through the Security Trustee, in accordance with the provisions of sub-section 5.5 of this EU Follow-on Securities Note;
- iv. ranking with respect to other indebtedness of the Issuer, Segond Boutique Hotels Limited and Bella Sicilia Srl in accordance with the provisions of sub-section 6.5 above;
- v. seeking recourse from the Guarantor pursuant to the Guarantee, in case of failure by the Issuer to pay any sum payable by it to Bondholders pursuant to the Terms and Conditions of the Bonds;
- vi. the right to attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and
- vii. the right to enjoy all such other rights attached to the Bonds emanating from the EU Follow-on Prospectus.

6.7 Interest

- 6.7.1 The Bonds shall bear interest from and including 21 October 2026 at the rate of 5.75% *per annum* on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be effected on 21 October 2027 (covering the period 21 October 2026 up to and including 20 October 2027). 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. Each Bond will cease to bear interest from and including its due date for redemption, unless payment of the principal amount in respect of the Bond is improperly withheld or refused or unless default is otherwise made in respect of payment, in any of which events 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 Bondholders to bring claims for payment of interest and repayment of the principal on the Bonds is barred by the lapse of five (5) years.
- 6.7.2 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.

6.8 Yield

The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds at Redemption Date is 5.75% *per annum*.

6.9 Registration, form, denomination and title

- 6.9.1 Certificates will not be delivered to Bondholders in respect of the Bonds in virtue of the fact that the entitlement to Bonds will be represented in an uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. There will be entered in such electronic register the names, addresses, identity card numbers (in the case of natural persons), registration numbers (in the case of companies) and MSE account numbers of the Bondholders and particulars of the Bonds held by them respectively, and the Bondholders shall have, at all reasonable times during business hours, access to the register of Bondholders held at the CSD for the purpose of inspecting information held on their respective account.
- 6.9.2 The CSD will issue, upon a request by a Bondholder, a statement of holdings to such Bondholder evidencing his/her/its entitlement to Bonds held in the register kept by the CSD.
- 6.9.3 Bondholders who opt to subscribe for the online e-portfolio account with the CSD will be registered by the CSD for the online e-portfolio facility and will receive by mail at their registered address a handle code to activate the new e-portfolio login. A Bondholder's statement of holdings evidencing entitlement to Bonds held in the register kept at the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on <https://eportfolio.borzamalta.com.mt/>. Further detail on the e-portfolio is found on <https://eportfolio.borzamalta.com.mt/Help>.
- 6.9.4 The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €100 provided that on subscription the Bonds will be issued for a minimum of €1,000 per individual Bondholder. Authorised Financial Intermediaries subscribing for Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €1,000 to each underlying client.
- 6.9.5 Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Bond. Title to the Bonds may be transferred as provided below in sub-section 6.14 of this EU Follow-on Securities Note.

6.10 Pricing

The Bonds are being issued at par, that is, at €100 per Bond, with the full amount payable upon subscription.

6.11 Payments

- 6.11.1 Payment of the principal amount of a Bond will be made in Euro by the Issuer to the person in whose name such Bonds are registered, with interest accrued up to the Redemption Date, by means of direct credit transfer into such bank account as the Bondholder may designate from time to time, provided such bank account is denominated in Euro. Such payment shall be effected within seven (7) days of the Redemption Date. The Issuer shall not be responsible for any loss or delay in transmission or any charges in connection therewith. Upon payment of the Redemption Value, the Bonds shall be redeemed and the appropriate entry made in the electronic register of the Bonds at the CSD.

In the case of Bonds held subject to usufruct, payment will be made against the joint instructions of all bare owners and usufructuaries. Before effecting payment, the Issuer and/or the CSD shall be entitled to request any legal documents deemed necessary concerning the entitlement of the bare owner/s and the usufructuary/ies to payment of the Bonds.

- 6.11.2 Payment of interest on a Bond will be made to the person in whose name such Bond is registered at the close of business fifteen (15) days prior to the Interest Payment Date, by means of a direct credit transfer into such bank account as the Bondholder may designate, from time to time, which is denominated in Euro. Such payment shall be effected within seven (7) days of the Interest Payment Date. The Issuer shall not be responsible for any loss or delay in transmission or any charges in connection therewith.
- 6.11.3 All payments with respect to the Bonds are subject in all cases to any pledge, duly constituted, and to any applicable fiscal or other laws and regulations prevailing in Malta from time to time. In particular, but without limitation, all payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made net of any amount which the Issuer is or may become compelled by law to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Malta or any authority thereof or therein having power to tax.
- 6.11.4 No commissions or expenses shall be charged by the Issuer to the Bondholders in respect of payments made in accordance with this sub-section 6.11. The Issuer shall not be liable for charges, expenses and commissions levied by parties other than the Issuer.

6.12 Redemption and purchase

- 6.12.1 The Issuer hereby irrevocably covenants in favour of each Bondholder that, unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value, together with accrued interest up to, but excluding, the date fixed for redemption, on 21 October 2036. In such a case the Issuer shall be discharged of any and all payment obligations under the Bonds upon payment made net of any withholding or other taxes due or which may be due under Maltese law and which are payable by the Bondholders.
- 6.12.2 Subject to the provisions of this sub-section 6.12, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike.
- 6.12.3 All Bonds so redeemed or re-purchased will be cancelled forthwith and may not be re-issued or re-sold.

6.13 Events of Default

Pursuant to the Security Trust Deed III, the Security Trustee may in its absolute and unfettered discretion, and shall upon the request in writing of not less than 75% of the Bondholders, by notice in writing to the Issuer declare the Bonds to have become immediately due and repayable at their principal amount, together with any accrued interest, upon the happening of any of the following events ("**Events of Default**"):

- i. if the Issuer shall fail to pay any interest on any Bond when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by any Bondholder and/or by the Security Trustee, unless remedied by the Guarantor before the expiry of such 60 days; and/or
- ii. if the Issuer shall fail to pay the principal amount of a Bond on the date fixed for its redemption and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by any Bondholder and/or by the Security Trustee, unless remedied by the Guarantor before the expiry of such 60 days; and/or
- iii. if the Issuer shall fail to perform or shall otherwise be in breach of any other material obligation contained in the Terms and Conditions and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by any Bondholder and/or by the Security Trustee, unless remedied by the Guarantor before the expiry of such 60 days (where applicable); and/or
- iv. if the Issuer and/or SBHL and/or BSS commits a breach of any of the covenants or provisions contained in the Security Trust Deed III to be observed and performed on their respective parts and the said breach still subsists for thirty (30) days after having been notified by the Security Trustee; and/or
- v. if any representation or warranty made or deemed to be made or repeated by or in respect of the Issuer or the Guarantor is or proves to have been incorrect in any material respect in the sole opinion of the Security Trustee; and/or
- vi. if an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer; and/or
- vii. if the Issuer stops or suspends payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so or ceases or threatens to cease to carry on its business or a substantial part of its business; and/or

- viii. 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
- ix. if in terms of section 214(5) of the Act, 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
- x. if a judicial or provisional administrator is appointed upon the whole or any material part of the property of the Issuer and such appointment is determined by the Security Trustee to be prejudicial, in its opinion, to the Bondholders; and/or
- xi. if security constituted by any hypothec, pledge or charge upon the whole or any part of the undertaking or assets of the Issuer or the Guarantor shall become enforceable and steps are taken to enforce the same and the taking of such steps shall be determined in writing by the Security Trustee to be, in its opinion, prejudicial to the Bondholders; and/or
- xii. if the Issuer, Guarantor, SBHL or BSS repudiate, or do or cause or permit to be done any act or thing evidencing an intention to repudiate, the Bonds and/or the Security Trust Deed III; and/or
- xiii. if 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 or Guarantor are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government; and/or
- xiv. any default of a payment obligation which occurs and continues for ninety (90) days under any contract or document relating to any Financial Indebtedness (as defined below) of the Issuer in excess of five million Euro (€5,000,000) or its equivalent at any time;

“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; and/or

- xv. 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 five million Euro (€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.

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

In the event that the Security Trustee becomes aware of the fact that an Event of Default has occurred or is likely to occur it shall notify the Malta Financial Services Authority, the Sponsor, Manager & Registrar and the Bondholders of such fact without delay in writing;

Provided that in the event of any breach by the Issuer, the Guarantor, SBHL or BSS of any of the covenants, obligations or provisions herein contained due to any fortuitous event of a calamitous nature beyond its control, then the Security Trustee may, but shall be under no obligation so to do, give said defaulting party 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 Bondholders. The Security Trustee shall not be bound to take any steps to ascertain whether any Event of Default or other similar 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 each of the Issuer, SBHL, BSS and the Guarantor is observing and performing all the obligations, conditions and provisions on its part contained under the EU Follow-on Prospectus and the Security Trust Deed III, as applicable.

6.14 Transferability of the Bonds

- 6.14.1 The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole (in multiples of €100) in accordance with the rules and regulations of the MSE applicable from time to time. The minimum subscription amount of €1,000 shall only apply during the Offer Period. As such, no minimum holding requirement shall be applicable once the Bonds are admitted to listing on the Official List and commence trading thereafter, subject to trading in multiples of €100.
- 6.14.2 Any person becoming entitled to a Bond in consequence of the death or bankruptcy of a Bondholder may, upon such evidence being produced as may, from time to time, properly be required by the Issuer or the CSD, elect either to be registered himself/herself/itself as holder of the Bond or to have some person nominated by him/

her/it registered as the transferee thereof. If the person so becoming entitled shall elect to be registered himself/herself/itself, he/she/it shall deliver or send to the CSD a notice in writing signed by him/her/it stating that he/she/it so elects. If he/she/it shall elect to have another person registered he/she/it shall testify his/her/its election by transferring the Bond, or procuring the transfer of the Bond, in favour of that person. Provided always that if a Bond is transmitted in furtherance of this paragraph 6.14.2, a person will not be registered as a Bondholder unless such transmission is made in multiples of €100.

- 6.14.3 All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable laws and regulations.
- 6.14.4 The costs and expenses of affecting any registration of transfer or transmission, 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 / transmission has been made.
- 6.14.5 The Issuer will not register the transfer or transmission of Bonds for a period of fifteen (15) days preceding the due date for any payment of interest on the Bonds or the due date for redemption.

6.15 Further issues

The Issuer may, from time to time, without the consent of the Bondholders, create and issue further debentures, debenture stock, bonds, loan notes, or any other debt securities, either having the same terms and conditions as any outstanding debt securities of any series (including the Bonds) and so that such further issue shall be consolidated and form a single series with the outstanding debt securities of the relevant series (including the Bonds), or upon such terms as the Issuer may determine at the time of their issue.

6.16 Meetings of Bondholders

- 6.16.1 The Issuer may, from time to time, call meetings of Bondholders for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which in terms of the EU Follow-on Prospectus require the approval of a Bondholders' meeting and to effect any change to the applicable Terms and Conditions of the Bonds.
- 6.16.2 A meeting of Bondholders shall be called by the Directors by giving (i) the Security Trustee, (ii) the Guarantor and (iii) all Bondholders listed on the register of Bondholders as at a date being not more than thirty (30) days preceding the date scheduled for the meeting, not less than fourteen (14) days' notice in writing. Such notice shall set out the time, place and date set for the meeting and the matters to be discussed or decided thereat, including, if applicable, sufficient information on any amendment of the EU Follow-on Prospectus that is proposed to be voted upon at the meeting and seeking the approval of the Bondholders. Following a meeting of Bondholders held in accordance with the provisions contained hereunder, the Issuer shall, acting in accordance with the resolution(s) taken at the meeting, communicate to the Security Trustee, the Guarantor and the Bondholders whether the necessary consent to the proposal made by the Issuer has been granted or withheld. Subject to having obtained the necessary approval by the Bondholders in accordance with the provisions of this sub-section 6.16 at a meeting called for that purpose as aforesaid, any such decision shall subsequently be given effect to by the Issuer.
- 6.16.3 No change or amendment to, or waiver of, any of the applicable Terms and Conditions of the Bonds may be made unless such decision is made at a meeting of Bondholders duly convened and held for that purpose in accordance with the terms hereof.
- 6.16.4 A meeting of Bondholders 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) Bondholders present, in person or by proxy, representing not less than 50% in nominal value of the Bonds 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 Security Trustee, the Guarantor and the Bondholders present at that meeting. The Issuer shall within two (2) days from the date of the original meeting publish by way of a company announcement the date, time and place where the adjourned meeting is to be held. An adjourned meeting shall be held not earlier than seven (7) days, and not later than fifteen (15) days, following the original meeting. At an adjourned meeting the number of Bondholders present at the commencement of the meeting, 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 and decided upon during, the adjourned meeting.
- 6.16.5 Any person who in accordance with the Memorandum and Articles of Association of the Issuer is to chair the annual general meetings of shareholders shall also chair meetings of Bondholders.

- 6.16.6 Once a quorum is declared present by the chairperson of the meeting, 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 Security Trustee, the Guarantor and the Bondholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time to Bondholders to present their views to the Issuer and the other Bondholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Bondholders present at the time at which the vote is being taken, and any Bondholders 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.
- 6.16.7 The voting process shall be managed by the Issuer's company secretary under the supervision and scrutiny of the auditors of the Issuer and the Security Trustee.
- 6.16.8 The proposal placed before a meeting of Bondholders shall only be considered approved if at least sixty per cent (60%) in nominal value of the Bondholders present at the meeting, or at any adjourned meeting, as the case may be, at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.
- 6.16.9 In terms of the Guarantee, the Guarantor has the power to veto a decision by the Bondholders, taken at a Bondholders' meeting duly convened and held, to amend or waive the Terms and Conditions of the Bonds which are issued with the benefit of its Guarantee, in cases in which such amendment or waiver may give rise to changes in: (i) the amount payable by the Guarantor under the Guarantee; (ii) the term and/or frequency of such payments; (iii) the Events of Default listed in sub-section 6.13 of this EU Follow-on Securities Note; and/or (iv) any other term which may otherwise increase the exposure of the Guarantor to the enforcement of the Guarantee. In the event that the Guarantor were to exercise such right of veto, the proposed amendment to, or waiver of, the Terms and Conditions would not be put into effect.
- 6.16.10 Save for the above, the rules generally applicable to proceedings at general meetings of shareholders of the Issuer shall mutatis mutandis apply to meetings of Bondholders.

6.17 Authorisations and approvals

The Directors of the Issuer authorised the Bond Issue and the publication of the EU Follow-on Prospectus pursuant to a Board of Directors' resolution passed on 9 September 2026. The Guarantee being given by the Guarantor in respect of the Bonds has been authorised by a resolution of the board of directors of the Guarantor dated 9 September 2026.

6.18 Admission to trading

- 6.18.1 The Malta Financial Services Authority has authorised the Bonds as admissible to listing pursuant to the Capital Markets Rules by virtue of a letter dated 14 September 2026.
- 6.18.2 Application has been made to the Malta Stock Exchange for the Bonds being issued pursuant to the EU Follow-on Prospectus to be listed and traded on its Official List.
- 6.18.3 The Bonds are expected to be admitted to the Malta Stock Exchange with effect from 21 October 2026 and trading is expected to commence on 22 October 2026. Dealing may commence prior to notification of the amount allotted being issued to Applicants.

6.19 Representations and warranties

- 6.19.1 The Issuer represents and warrants to Bondholders and to the Security Trustee for the benefit of Bondholders, who shall be entitled to rely on such representations and warranties, that:
- i. it is duly incorporated 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 property and other assets under legal title; and
 - ii. it has the power to execute, deliver and perform its obligations under the EU Follow-on Prospectus and that all necessary corporate, shareholder and other actions have been duly taken to authorise the execution, delivery and performance of the same, and further that no limitation on its power to borrow or guarantee shall be exceeded as a result of the Terms and Conditions of the EU Follow-on Prospectus.
- 6.19.2 To the best of the Directors' knowledge, the EU Follow-on Prospectus contains all relevant material information with respect to the Issuer, the Guarantor and the Bonds and all information contained in the EU Follow-on Prospectus is in every material respect true and accurate and not misleading, and there are no other facts in relation to the Issuer and/or the Guarantor, their respective businesses and financial position, the omission of which would, in the context of issue of the Bonds, make any statement in the EU Follow-on Prospectus misleading or inaccurate in any material respect.

6.20 Bonds held jointly

In respect of any Bonds held jointly by several persons (including spouses), the person first named in the register of Bondholders shall, for all intents and purposes, be deemed to be such nominated person by all those joint holders in the register. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Bonds so held.

6.21 Bonds held subject to usufruct

In respect of a Bond 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-à-vis the Issuer to be the holder of the Bonds so held and shall have the right to receive interest on the Bonds and to vote at meetings of the Bondholders but shall not, during the existence of the Bonds, have the right to dispose of the Bonds so held without the consent of the bare owner, and shall not be entitled to the repayment of principal on the Bonds (which shall be due to the bare owner).

6.22 Governing law and jurisdiction

6.22.1 The Bonds are governed by and shall be construed in accordance with Maltese law.

6.22.2 Any legal action, suit or proceedings against the Issuer and/or the Guarantor arising out of or in connection with the Bonds and/or the EU Follow-on Prospectus shall be brought exclusively before the Maltese courts.

6.23 Notices

Notices will be mailed to Bondholders and to the Security Trustee 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 Bondholder and to the Security Trustee at his/her/its registered address and posted.

7 • TAXATION

7.1 General

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 EU Follow-on 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 who do not deal in the acquisition and disposal of securities in the course of their normal trading activities. The precise implications for investors will depend, among other things, on their particular circumstances and on the classification of the Bonds from a Maltese tax perspective, and professional advice in this respect should be sought accordingly.

7.2 Maltese Income Tax on interest income arising from the holding of Bonds

Since interest is payable in respect of a Bond which is the subject of a public issue and constitutes "investment income" in terms of Article 41(a)(iv)(1) of the Income Tax Act, Chapter 123 of the Laws of Malta (the "Income Tax Act"), unless a Bondholder elects by means of a written instruction 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 Bondholder 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 Bondholder net of a final withholding tax, currently at the rate of 15% (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. Bondholders who do not fall within the definition of a "recipient" do not qualify for the said rate and should seek professional advice on the taxation of such income as other rules may apply.

Article 41(c) of the Income Tax Act defines the term "Recipient", which includes, inter alia, a person resident in Malta during the year in which investment income is payable, and EU/EEA nationals (and their spouse where applicable) who are not resident in Malta for Maltese income tax purposes but who apply (at their option) 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 as a final tax and a Maltese resident individual Bondholder 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, whether corporate or non-corporate, shall be charged to further tax in Malta in respect of such income and the tax deducted shall not be available as a credit against the recipient's tax liability or as a refund, as the case may be.

The Issuer is required to comply with a number of obligations, including the submission to the Maltese Commissioner for Tax and Customs of the tax withheld within prescribed timeframes, and rendering an account to the Maltese Commissioner for Tax and Customs of all 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 in writing by an eligible Bondholder 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 Bondholder at that time. Additionally, in this latter case the Issuer will advise the Maltese Commissioner for Tax and Customs 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 Bondholder 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) of the Income Tax Act, Bondholders who are not resident in Malta satisfying the applicable conditions set out therein, including but not limited to the condition that the Bondholder is not owned and controlled by, whether directly or indirectly, nor acts on behalf of an individual/s who are ordinarily resident and domiciled in Malta, are not taxable in Malta on the interest received and will receive interest gross, subject to the requisite declaration/evidence being provided to the Issuer in terms of law.

7.3 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 Bondholders, to the Commissioner for Tax and Customs. The Commissioner for Tax and Customs will or may, in turn, automatically or on request, forward the information to other relevant tax authorities subject to certain conditions.

Relevant legislation includes, but is not limited to:

- i. the implementation of the EU Council Directive 2014/107/EU (amending Directive 2011/16/EU) on Administrative Cooperation in the field of Taxation which provides for the implementation of the regime known as the Common Reporting Standard ("**CRS**") – incorporated into Maltese law through Legal Notice 384 of 2015 entitled the Cooperation with Other Jurisdiction on Tax Matters (Amendment) Regulations, 2015; and
- ii. the agreement between the Government of the United States of America and the Government of the Republic of Malta to Improve International Tax Compliance and to Implement FATCA – incorporated into Maltese law through Legal Notice 78 of 2014 ("**FATCA Legislation**").

The CRS has been proposed by the Organisation for Economic Co-operation and Development as a new global standard for the automatic exchange of financial account information between tax authorities in participating jurisdictions. The CRS requires Malta based financial institutions ("**FIs**") (defined as such for the purposes of CRS) to identify and report to the Maltese tax authorities financial accounts held by a "Reportable Person" (as defined under the CRS legislation), and certain entities with one or more controlling persons, as defined under the CRS legislation, which is classified as a reportable person. Financial information relating to Bonds and the holders of the Bonds may fall within the purview of CRS and may be subject to reporting and information exchange provisions.

In particular with respect to CRS, the following information will be reported annually by the FIs to the Commissioner for Tax and Customs in respect of each reportable account maintained by the FIs: (i) the name, address, jurisdiction of tax residence, tax identification number (TIN) and date and place of birth (in the case of an individual); (ii) the account number (or functional equivalent in the absence of an account number); (iii) the account balance or value as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year or period, the closure of the account; (iv) the total gross amount paid or credited to the account holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the FI is the obligor or debtor, including the aggregate amount of any redemption payments made to the account holder during the calendar year or other appropriate reporting period.

Under the FATCA Legislation, FIs in Malta (defined as such for the purposes of FATCA) are obliged 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 Commissioner for Tax and Customs. The latter is, in turn, required to exchange such information to the US Internal Revenue Service. Financial account information in respect of holders of the Bonds could fall within the scope of FATCA and they may, therefore, be subject to reporting obligations.

Pursuant to obligations under FATCA Legislation, FIs reserve the right to store, use, process, disclose and report any required information including all current and historical data related to the past and/or present account/s held by reportable persons, including, but not limited to, the name, address, date of birth, place of birth and U.S. tax identification number, the details of any account transactions, the nature, balances and compositions of the assets held in the account, to the Commissioner for Tax and Customs.

The Commissioner for Tax and Customs shall by automatic exchange framework for reciprocal information exchange, communicate to the other competent authority on an annual basis, any relevant information that may fall to be classified as reportable, and vice-versa.

FIs 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 CRS and any referring legislation. In the case of failure to provide satisfactory documentation and/or information, an FI may take such action as it thinks fit, including without limitation, the closure of the financial account.

7.4 Maltese taxation on capital gains on transfer of the bonds

As the Bonds do 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 Bonds are held as capital assets by the Bondholders, no tax on capital gains should be chargeable in respect of a transfer of the Bonds. Such Bondholders should seek advice on any foreign tax implications that may be applicable to them.

7.5 Duty on documents and transfers

In terms of the Duty on Documents and Transfers Act (Chapter 364 of the Laws of Malta), duty is chargeable *inter alia* on the transfer *inter vivos* or transmission *causa mortis* of marketable securities. A marketable security is defined in the said legislation as “*a holding of share capital in any company and any document representing the same*”.

Consequently, the Bonds should not be treated as constituting marketable securities within the meaning of the aforementioned legislation and, therefore, the transfer/transmission thereof should not be chargeable to duty.

Furthermore, even if the Bonds are considered to be marketable securities for the purposes of the Duty on Documents and Transfers Act, in terms of Article 50 of the Financial Markets Act (Chapter 345 of the Laws of Malta), in view of the fact that the Bonds constitute financial instruments of a company quoted on a regulated market exchange, as is the Official List, redemptions and transfers of the Bonds should in any case be exempt from Maltese duty.

THE ABOVE INFORMATION IS BASED ON MALTESE TAX LAW AND PRACTICE APPLICABLE AS AT THE DATE OF THIS EU FOLLOW-ON SECURITIES NOTE. 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 BONDS, AS WELL AS INTEREST PAYMENTS MADE BY THE ISSUER. THE TAX LEGISLATION OF THE INVESTOR'S MEMBER STATE AND OF THE ISSUER'S COUNTRY OF INCORPORATION MAY HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE SECURITIES. THE ABOVE IS A SUMMARY OF THE ANTICIPATED TAX TREATMENT APPLICABLE TO THE BONDS AND TO BONDHOLDERS. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO BONDHOLDERS WHO DO NOT DEAL IN SECURITIES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY AND DEPENDS, AMONG OTHER THINGS, ON THE PARTICULAR INDIVIDUAL CIRCUMSTANCES OF THE INVESTORS AND OF THE CLASSIFICATION OF THE SECURED BONDS FROM A MALTESE TAX PERSPECTIVE.

8 • TERMS AND CONDITIONS OF THE BOND ISSUE

The following Terms and Conditions shall be read in conjunction with all the other terms and conditions relative to and regulating the contractual relationship created between the Issuer and the Guarantor on the one hand and the Bondholders on the other.

- 8.1 The issue and allotment of the Bonds is conditional upon: (i) the Minimum Amount of €7,000,000 being subscribed for; (ii) the Guarantee being granted by the Guarantor; (iii) the Security Trust Deed III being duly executed and the Deeds of Hypothec being executed; and (iv) the Bonds being admitted to trading on the Official List. In the event that the Bonds are not admitted to the Official List, any application monies received by the Issuer from all Applicants will be returned without interest by direct credit into the Applicant's bank account indicated by the Applicant/Authorised Intermediary on the relative Application/subscription agreement.
- 8.2 Applications for the Bonds may be lodged with any Authorised Intermediary, which includes the Sponsor, Manager & Registrar, by not later than 12:00 hours (CET) on 13 October 2026 or such earlier date as may be determined by the Issuer with respect to any one or more classes of Applicants depending on the total level of subscription in the Bond Issue. Applications must be accompanied by the full price of the Bonds applied for, in Euro. Payment may be made through any method of payment as accepted by the respective Authorised Intermediary. In any case, acceptance of payment shall be made at the Authorised Intermediary's sole and absolute discretion and may be on the basis that the Applicant indemnifies the Authorised Intermediary against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of the Applicant's remittance to be honoured on first presentation, and that, at any time prior to unconditional acceptance by the Authorised Intermediary of such late payment in respect of such Bonds, the Authorised Intermediary may (without prejudice to other rights) treat the agreement to allocate such Bonds as void, in which case the Applicant will not be entitled to any refund or payment in respect of such Bonds (other than return of such late payment).
- 8.3 It is the responsibility of investors wishing to apply for the Bonds to inform themselves as to the legal requirements of so applying, including any requirements relating to external transaction requirements in Malta and any exchange control in the countries of their nationality, residence or domicile.
- 8.4 The contract created by the Issuer's acceptance of an Application filed by a prospective bondholder shall be subject to all the Terms and Conditions set out in this EU Follow-on Securities Note.
- 8.5 If Applications are signed/delivered on behalf of another party or on behalf of a corporation or corporate entity or association of persons, the person signing will be deemed to have duly bound his/her principal, or the relative corporation, corporate entity, or association of persons, and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions on their behalf. Such representative may be requested to submit the relative power of attorney/resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Issuer acting through the Registrar, but it shall not be the duty or responsibility of the Registrar or the Issuer to ascertain that such representative is duly authorised to appear on the Application and bind the Applicant.
- 8.6 Applications in the name of a corporation or corporate entity or association of persons need to include a valid Legal Entity Identifier ("LEI") (which needs to be unexpired). Failure to include a valid LEI code will result in the Application being cancelled by the Issuer, acting through the Registrar, and subscription monies will be returned to the Applicant in accordance with the terms set out herein.
- 8.7 In the event that an Applicant fails to submit full information and/or documentation required with respect to an Application, the Applicant shall receive a full refund, without interest, by direct credit transfer to such account indicated by him/her/it at any time before the Bonds are admitted to listing on the Official List. Neither the Issuer nor the Registrar shall be responsible for any charges, loss or delay arising in connection with such credit transfer.
- 8.8 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.
- 8.9 Applications in the name and for the benefit of minors shall be allowed provided that the Applicant already holds an account with the MSE. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption monies payable to the parents / legal guardian/s submitting the Application until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption monies shall be paid directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.
- 8.10 The Bonds have not been and will not be registered under the Securities Act of 1933 of the United States of America and, accordingly, may not be offered or sold within the United States or to or for the account or benefit of a U.S. person.
- 8.11 No person receiving a copy of the EU Follow-on Prospectus in any territory other than Malta may treat the same as constituting an invitation or offer to such person, nor should such person in any event use the EU Follow-on Prospectus, unless, in the relevant territory, such an invitation or offer could lawfully be made to such person without contravention of any regulation or other legal requirements.

- 8.12 It is the responsibility of any person outside Malta wishing to make any Application to satisfy himself/herself/itself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
- 8.13 Subject to all other Terms and Conditions set out in the EU Follow-on Prospectus, the Issuer reserves the right to reject, in whole or in part, or to scale down, any Application, and to present any cheques and/or drafts for payment upon receipt. The right is also reserved to refuse any Application which in the opinion of the Issuer, acting through the Registrar, is not properly completed in all respects in accordance with the relative instructions or is not accompanied by the required documents.
- 8.14 Save where the context requires otherwise or where otherwise defined therein, terms defined in the EU Follow-on Prospectus bear the same meaning when used in these Terms and Conditions, in any of the annexes and in any other document issued pursuant to the EU Follow-on Prospectus.
- 8.15 The Issuer has not sought assessment of the Bonds by an independent credit rating agency.
- 8.16 Subject to all other Terms and Conditions set out in the EU Follow-on Prospectus, the Issuer reserves the right to revoke the Bond Issue at any time before the closing of the Offer Period. The circumstances in which such revocation might occur are expected to be exceptional, for example where a significant change in market conditions occurs.
- 8.17 The Bonds will be issued in multiples of €100. The minimum subscription amount of Bonds that can be subscribed for by all Applicants is €1,000.
- 8.18 For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations (Subsidiary Legislation 373.01), as may be amended from time to time, all appointed Authorised Financial Intermediaries are under a duty to communicate, upon request, all information about clients as is mentioned in articles 1.2(d) and 2.4 of the "Members' Code of Conduct" appended as Appendix 3.6 to Chapter 3 of the MSE Bye-Laws, irrespective of whether the said appointed Authorised Financial Intermediaries are Malta Stock Exchange members or not. Such information shall be held and controlled by the Malta Stock Exchange in terms of the GDPR and the Data Protection Act (Chapter 586 of the laws of Malta) for the purposes and within the terms of the Malta Stock Exchange Data Protection Policy, as published from time to time.
- 8.19 It shall be incumbent on the respective Authorised Intermediaries to ascertain that all other applicable regulatory requirements relating to subscription of Bonds by an Applicant are complied with, including without limitation the obligation to comply with all applicable MiFIR requirements as well as applicable MFSA Rules for investment services providers, all applicable Anti-Money Laundering and Counter Terrorist Financing rules and regulations, as well as the applicable MFSA Conduct of Business Rules.
- 8.20 By completing and delivering an Application for Bonds, the Applicant:
- i. agrees and acknowledges to have had the opportunity to read the EU Follow-on Prospectus and to be deemed to have had notice of all information and representations concerning the Issuer and the Guarantor and the issue of the Bonds contained therein;
 - ii. accepts to be irrevocably contractually committed to acquire the number of Bonds allocated to such Applicant at the Bond Issue Price and, to the fullest extent permitted by law, accepts to be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment, such irrevocable offer to purchase, and pay the consideration for, the number of Bonds specified in the Application submitted by the Applicant (or any smaller number of Bonds for which the Application is accepted) at the Bond Issue Price, as applicable, being made subject to the provisions of the EU Follow-on Prospectus, the Terms and Conditions, the Application and the Memorandum and Articles of Association of the Issuer;
 - iii. warrants that the information submitted by the Applicant is true and correct in all respects. All Applications need to include a valid MSE account number in the name of the Applicant/s. Failure to include an MSE account number will result in the Application being cancelled by the Issuer (acting through the Registrar) and subscription monies will be returned to the Applicant. In the event of a discrepancy between the personal details, including name and surname and the Applicant's address, provided by an Applicant and those held by the MSE in relation to the MSE account number indicated by the Applicant, the details held by the MSE shall be deemed to be the correct details of the Applicant
 - iv. authorises the Registrar and the MSE to include his/her/its name or, in the case of joint Applications the first named Applicant, in the register of securities of the Issuer in respect of the Bonds allocated to such Applicant and further authorises the Issuer, the Registrar, the respective Authorised Financial Intermediary and the MSE to process the personal data that the Applicant provides in connection with an Application for Bonds, for all purposes necessary and subsequent to the Bond Issue applied for, in accordance with the General Data Protection Regulation (EU) 2016/679 (GDPR) and the Data Protection Act (Chapter 586 of the laws of Malta). The Applicant has the right to request access to and rectification of the personal data relating to him/her/it as processed by the Issuer and/or the MSE. Any such requests must be made in writing and sent to the CSD. The requests must be signed by the Applicant to whom the personal data relates;

- v. confirms that in making such Application no reliance was placed on any information or representation in relation to the Issuer, the Guarantor or the issue of the Bonds other than what is contained in the EU Follow-on Prospectus and, accordingly, agree/s that no person responsible solely or jointly for the EU Follow-on Prospectus or any part thereof will have any liability for any such other information or representation;
- vi. agrees that the registration advice and other documents and any monies returnable to the Applicant may be retained pending clearance of his/her/its remittance, and any verification of identity as required by the Prevention of Money Laundering Act (Chapter 373 of the laws of Malta) and regulations made thereunder, and that such monies will not bear interest;
- vii. agrees that any refund of unallocated Application monies, will be paid by direct credit, without interest, at the Applicant's own risk, to the bank account as indicated in the Application. The Issuer shall not be responsible for any loss or delay in transmission or any charges in connection therewith;
- viii. agrees to provide the Issuer, acting through the Registrar, with any information which it/they may request in connection with the Application;
- ix. warrants, in connection with the Application, to have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with his/her/its Application in any territory, and that the Applicant has not taken any action which will or may result in the Issuer or the Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the Bonds or his/her/its Application;
- x. warrants that all applicable exchange control or other regulations (including those relating to external transactions) have been duly and fully complied with;
- xi. represents that the Applicant is not a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933 of the United States of America, as amended) and that he/she/it is not accepting the invitation set out in the EU Follow-on Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the "United States") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;
- xii. agrees that the advisors to the Bond Issue (listed in sub-section 4.4 of the EU Follow-on Registration Document) will owe the Applicant no duties or responsibilities concerning the Bonds or the suitability of the Applicant;
- xiii. agrees that unless such Application is made with Calamatta Cuschieri Investment Services Limited as an Authorised Intermediary, Calamatta Cuschieri Investment Services Limited will not, in its capacity of Sponsor, treat the Applicant as its customer by virtue of such Applicant making an Application for the Bonds, and that Calamatta Cuschieri Investment Services Limited will owe the Applicant no duties or responsibilities concerning the price of the Bonds or their appropriateness and suitability for the Applicant;
- xiv. agrees that all documents in connection with the issue of the Bonds and any returned monies, including refunds of unapplied Application monies, if any, will be sent at the Applicant's own risk and may be sent, in the case of documents, by post at the address (or, in the case of joint Applications, the address of the first named Applicant) as set out by the Applicant and in the case of monies by direct credit into the Applicant's bank account as indicated by the Applicant;
- xv. renounces any rights the Applicant may have to set off any amounts the Applicant may at any time owe the Issuer against any amount due under the terms of these Bonds;
- xvi. irrevocably offers to purchase the number of Bonds specified in his/her/its Application (or any smaller number for which the Application is accepted) at the Bond Issue Price subject to the EU Follow-on Prospectus and the Terms and Conditions thereof;
- xvii. warrants that his/her/its remittance will be honoured on first presentation and agrees that if such remittance is not so honoured on its first presentation, the Issuer, acting through the Registrar, reserves the right to invalidate the relative Application. Furthermore, the Applicant will not be entitled to receive a registration advice or to be registered in the register of Bondholders or to enjoy or receive any rights in respect of such Bonds, unless the Applicant makes payment in cleared funds and such consideration is accepted by the respective Authorised Intermediary (which acceptance shall be made in the Authorised Intermediary's sole and absolute discretion and may be on the basis that the Applicant indemnifies the Authorised Intermediary against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of the Applicant's remittance to be honoured on first presentation, and that, at any time prior to unconditional acceptance by the Authorised Intermediary of such late payment in respect of such Bonds, the Authorised Intermediary may (without prejudice to other rights) treat the agreement to allocate such Bonds as void and may allocate such Bonds to some other person, in which case the Applicant will not be entitled to any refund or payment in respect of such Bonds (other than return of such late payment));
- xviii. agrees that all Applications, acceptances of applications and contracts resulting therefrom will be governed by, and construed in accordance with, Maltese law and that he/she/it submits to the exclusive jurisdiction of the Maltese Courts and agrees that nothing shall limit the right of the Issuer to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of applications and contracts in any other manner permitted by law in any court of competent jurisdiction;
- xix. warrants that if he/she signs/delivers an Application on behalf of another party or on behalf of a corporation

or corporate entity or association of persons, he/she has due authority to do so and such person, corporation, corporate entity or association of persons will also be bound accordingly, and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions and undertakes to submit his power of attorney or a copy thereto duly certified by a lawyer or notary public if so required by the Issuer or the Registrar;

- xx. warrants that he/she is not under the age of eighteen (18) years or if he/she is lodging an Application in the name and for the benefit of a minor, warrants that he/she is the parent or legal guardian of the minor;
- xxi. confirms that, in the case of a joint Application entered into in joint names, the first named Applicant shall be deemed the holder of the Bonds; and
- xxii. agrees that, in all cases, any refund of unallocated Application monies, if any, will be sent to the Applicant by direct credit into the Applicant's bank account as indicated by the Applicant. No interest shall be due on refunds. The Issuer shall not be responsible for any loss or delay in transmission or any charges in connection therewith.

9 • ADDITIONAL INFORMATION

Save for the Financial Analysis Summary reproduced in Annex III of this EU Follow-on Securities Note, the EU Follow-on Prospectus does not contain any statement or report attributed to any person as an expert.

The Financial Analysis Summary dated 14 September 2026 has been included in Annex III of this EU Follow-on Securities Note in the form and context in which it appears with the authorisation of Calamatta Cuschieri Investment Services Limited of Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta, which has given and has not withdrawn its consent to the inclusion of said report herein.

Calamatta Cuschieri Investment Services Limited does not have any beneficial interest in the Issuer or the Guarantor. The Issuer has received confirmation from Calamatta Cuschieri Investment Services Limited that the Financial Analysis Summary has been accurately reproduced in the EU Follow-on Prospectus and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

ANNEX I – GUARANTEE

THE GUARANTEE

SMARTCARE HOLDINGS LTD – C 90121 (the “Guarantor”)

To All Bondholders:

Reference is made to the issue of up to €11,000,000 5.75% Secured Bonds 2036 by Smartcare Finance p.l.c., a company registered in Malta bearing company registration number C 90123 (the “Issuer”), pursuant to and subject to the Terms and Conditions contained in the EU Follow-on Securities Note forming part of the EU Follow-on Prospectus dated 14 September 2026.

Now, therefore, by virtue hereof, Smartcare Holdings Ltd (C 90121) hereby stands surety jointly and severally with the Issuer and irrevocably and unconditionally guarantees the due and punctual performance of all the obligations undertaken by the Issuer under the Bonds and, without prejudice to the generality of the foregoing, undertakes to pay all amounts of principal and interest which become due and payable by the Issuer to Bondholders under the Bonds, before the expiry of sixty (60) days from the date such amount falls due and remains unpaid by the Issuer.

This Guarantee shall be governed by the laws of Malta.

Signed and executed on this the 9 September 2026, after approval of the board of directors of Smartcare Holdings Ltd.



ANDREW DEBATTISTA SEGOND
Director – Smartcare Holdings Ltd

Interpretation:

In this Guarantee, unless the context otherwise requires:

- a) terms and expressions defined in or construed for the purposes of the Prospectus shall have the same meanings or be construed in the same manner when used in this Guarantee, unless defined otherwise in this Guarantee;
- b) **"Indebtedness"** means any and all monies, obligations and liabilities now or hereafter due, owing or incurred by the Issuer under the Bonds to the Bondholders (whether alone and/or with others) in terms of the Prospectus and in any and all cases whether for principal, interest, capitalised interest, charges, disbursements or otherwise and whether for actual or contingent liability; and
- c) **"writing"** or **"in writing"** shall mean any method of visual representation and shall include e-mails and other such electronic methods.

Nature, scope and terms of the Guarantee:

1. NATURE OF THE GUARANTEE

The offering of Bonds that will be made by the Issuer pursuant to the EU Follow-on Prospectus will be made with the benefit of the joint and several corporate Guarantee of the Guarantor, the full terms of which are set out in clause 3 below.

2. INFORMATION ABOUT THE GUARANTOR

The information about the Guarantor required pursuant to the Capital Markets Rules and the Prospectus Regulation may be found in the EU Follow-on Registration Document forming part of the EU Follow-on Prospectus.

3. TERMS OF THE GUARANTEE

3.1 Covenant to pay

For the purposes of the Guarantee, the Guarantor, as primary obligor, hereby jointly and severally with the Issuer irrevocably and unconditionally guarantees to each Bondholder that if for any reason the Issuer fails to pay any sum payable by it to such Bondholder pursuant to the Terms and Conditions of the Bonds detailed in the EU Follow-on Securities Note as and when the same shall become due under any of the foregoing, the Guarantor will pay to such Bondholder on written demand the amount payable by the Issuer to such Bondholder. All demands shall be sent to the address stated below in clause 3.11 as the same may be changed by company announcement issued by the Issuer from time to time.

Such payment shall be made in the currency in force in Malta at the time the payment falls due.

All payments shall be made to Bondholders without any withholding for taxes (and in so far as this obligation exists under any law, the payment shall be grossed up by the amount of withholding) and without set-off for any amounts which may be then owing to the Guarantor by the Issuer.

This Guarantee shall apply to all Bonds issued on or after 21 October 2026 in accordance with the terms of the EU Follow-on Securities Note.

3.2 Guarantor as joint and several surety

The Guarantor will be liable under this Guarantee as joint and several surety with the Issuer.

3.3 Maximum liability

This is a continuing Guarantee for the whole amount due or owing under the Bonds or which may hereafter at any time become due or owing under the Bonds by the Issuer, but the amount due by the Guarantor to the Bondholders under this Guarantee shall be up to and shall not be in excess of €11,000,000 (eleven million Euro), apart from interest due up to the date of payment and costs and expenses relating to the protection, preservation, collection or enforcement of the Bondholders' rights against the Issuer and/or the Guarantor, which shall be additional to the maximum sum herein stated.

3.4 Continuing and unconditional liability

The liability of the Guarantor under this Guarantee shall be continuing until such time as the Indebtedness is fully repaid and shall in no way be prejudiced or affected, nor shall it in any way be discharged or reduced, by reason of:

- a) the bankruptcy, insolvency or winding up of the Issuer; or
- b) the incapacity or disability of the Issuer; or
- c) any change in the name, style, constitution, any amalgamation, or reconstruction of either the Issuer or the Guarantor; or
- d) a Bondholder conceding any time or indulgence, or compounding with, discharging, releasing or varying the liability of the Issuer or renewing, determining, reducing, varying or increasing any accommodation or transaction or otherwise dealing with the same in any manner whatsoever or concurring in, accepting or in any way varying any compromise, composition, arrangement or settlement or omitting to claim or enforce or extract payment from the Issuer; or
- e) any event, act or omission that might operate to exonerate the Guarantor without settlement in full of the Indebtedness towards the relevant Bondholder.

3.5 Indemnity

As a separate and alternative stipulation, the Guarantor unconditionally and irrevocably agrees that any Indebtedness to be payable by the Issuer but which is for any reason (whether or not now known or becoming known to the Issuer, the Guarantor or any Bondholder) not recoverable from the Guarantor, will nevertheless be recoverable from it as if it were the sole principal debtor and will be paid by it to the Bondholder on demand. This indemnity constitutes a separate and independent obligation from the other obligations in this Guarantee and gives rise to a separate and independent cause of action.

3.6 Representations and warranties

3.6.1 The Guarantor represents and warrants:

- i. that it is duly incorporated and validly existing under the laws of Malta and has the power to carry on its business;
- ii. that it has power to grant this Guarantee and that this Guarantee is duly authorised and all corporate action has been taken by the Guarantor in accordance with its deeds of constitution and the laws of its incorporation and regulation;
- iii. that this Guarantee constitutes and contains valid and legally binding obligations of the Guarantor enforceable in accordance with its terms;
- iv. that this Guarantee does not and will not constitute default with respect to or run counter to any law, by-law, articles of incorporation, statute, rule, regulation, judgement, decree or permit to which the Guarantor is or may be subject, or any agreement or other instrument to which the Guarantor is a party or is subject or by which it or any of its property is bound;
- v. that this Guarantee shall not result in or cause the creation or imposition of, or oblige the Guarantor to create, any encumbrance on the Guarantor's undertakings, assets, rights or revenues;
- vi. that it is in no way engaged in any litigation, arbitration or administrative proceeding of a material nature (which for the purposes of this Guarantee shall mean proceedings relative to a claim amounting to at least €1.0 million) and nor is it threatened with any such procedures;
- vii. that the obligations of the Guarantor under this Guarantee constitute general, direct and unsecured obligations of the Guarantor and rank equally with all its other existing and future unsecured obligations, except for any debts for the time being preferred by law;
- viii. that it is not in material breach of or in default under any agreement relating to indebtedness to which it is a party or by which it may be bound, nor has any default occurred in its regard; and
- ix. that all the information, verbal or otherwise, tendered in connection with the negotiation and preparation of this Guarantee is accurate and true and there has been no omission of any material facts.

3.6.2 As from the date of this Guarantee, until such time as the Indebtedness is paid in full to the Bondholders, and for as long as this Guarantee shall remain in force, the Guarantor shall hold true, good and valid all the representations and warranties given under this clause.

3.7 Deposit and production of the Guarantee

The original instrument creating this Guarantee shall be deposited with and be held by the Issuer at its registered address for the benefit of the Bondholders until all obligations of the Guarantor have been discharged in full, and until such time the Guarantor acknowledges the right of every Bondholder to obtain a copy of the instrument creating the Guarantee.

3.8 Subrogation

Until all amounts which may be payable under the terms of the Bonds have been irrevocably paid in full, the Guarantor shall not by virtue of this Guarantee be subrogated to any rights of any Bondholder or claim in competition with the Bondholders against the Issuer.

3.9 Benefit of the Guarantee and no assignment

This Guarantee is to be immediately binding upon the Guarantor for the benefit of the Bondholders. The Guarantor shall not be entitled to assign or transfer any of its obligations under this same Guarantee.

3.10 Amendments

The Guarantor has the power to veto any changes to the Terms and Conditions of the Bonds which are issued with the benefit of this Guarantee, limitedly in cases in which such amendments may give rise to changes in: (i) the amount payable by the Guarantor under this Guarantee; (ii) the term and/or frequency of such payments; (iii) the Events of Default listed in sub-section 6.13 of the EU Follow-on Securities Note; and/or (iv) any other term which may otherwise increase the exposure of the Guarantor to the enforcement of this Guarantee.

3.11 Notices

For notification purposes in connection with this Guarantee, the proper address and telephone number of the Guarantor is:

Smartcare Holdings Ltd

Address: 326, Mdina Road, Qormi, Malta
Telephone number: (+356) 21 449 574
Contact person: The Company Secretary

3.12 Governing law and jurisdiction

This Guarantee is governed by and shall be construed in accordance with Maltese law.

Any dispute, controversy or claim arising out of or relating to this Guarantee or as to the interpretation, validity, performance or breach thereof shall be brought exclusively before the Maltese courts.



ANDREW DEBATTISTA SEGOND
Director – Smartcare Holdings Ltd

ANNEX II • AUTHORISED INTERMEDIARIES

Calamatta Cuschieri Investment Services Ltd	Ewropa Business Centre Triq Dun Karm Birkirkara BKR 9034 Malta	2568 8688
FINCO Treasury 2122 0002 Management Limited	The Bastions, Office No 2, Emvin Cremona Street, Floriana FRN 1281 Malta	2122 0002
MeDirect Bank (Malta) plc	The Centre, Tigné Point, Sliema TPO 0001	25574400
Michael Grech Financial Investment Services Ltd	The Brokerage, Level OA, St Marta Street, Victoria, VCT 2551 Gozo	2258 7000
M.Z. Investment Services Limited	63, St. Rita Street, Rabat RBT 1523 Malta	2145 3739

ANNEX III • FINANCIAL ANALYSIS SUMMARY

The Directors
Smartcare Finance p.l.c.
326, Mdina Road,
Qormi
Malta

14 September 2026

Dear Board Members,

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the “**Analysis**”) set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the financial analysis is that of summarising key financial data appertaining to Smartcare Finance p.l.c. (the “**Issuer**”), and Smartcare Holdings Ltd, where the latter acts as the parent company of the companies forming part of (the “**Group**”) as explained in Part 1 of the Analysis. The data is derived from various sources or is based on our own computations as follows:

- a) Historical financial data for the years ended 31 December 2023, 2024, and 2025 have been extracted from the audited financial statements of the Issuer and the Guarantor.
- b) The forecast data for the financial years 2026 and 2027 has been provided by management.
- c) Our commentary on the Issuer and Guarantor’s results and financial position is based on the explanations provided by management.
- d) The ratios quoted in the Analysis Summary have been computed by us applying the definitions set out in Part 4 of the Analysis.
- e) The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the websites of the companies concerned or financial statements filed with the Registrar of Companies or websites providing financial data.

The Analysis is meant to assist investors in the Issuer’s securities and potential investors by summarising the more important financial data of the Group. The Analysis does not contain all data that is relevant to potential investors and is meant to complement, and not replace, the contents of the full EU Follow-on Prospectus. The Analysis does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest in any of the Issuer’s securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis.

As with all investments, potential investors are encouraged to seek professional advice before investing in the Issuer’s securities.

Yours sincerely,



PATRICK MANGION
Head of Capital Markets

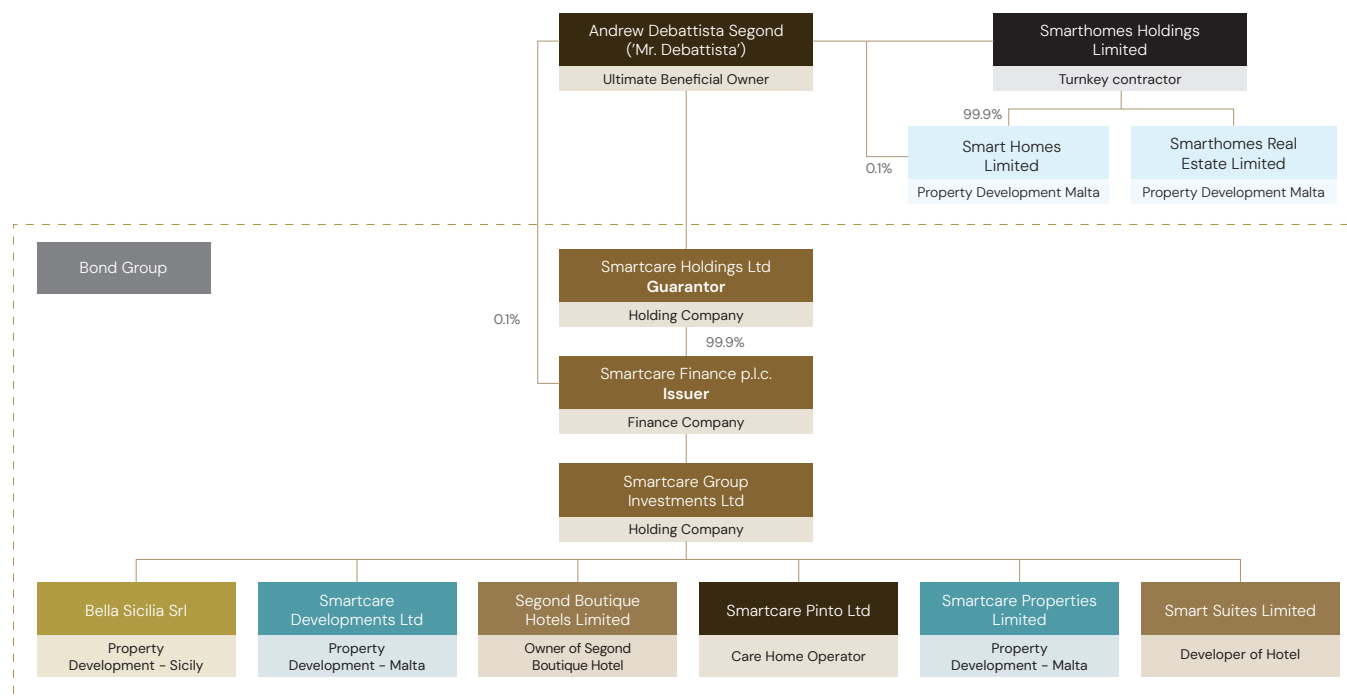
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PART 1 • INFORMATION ABOUT THE GROUP

1.1 Group's Key Activities and Structure

The Group structure is as follows:



Note 1: Unless otherwise stated, all companies are 100% owned

The “Group” consists of Smartcare Finance p.l.c., the Issuer of the bonds, and its parent company, Smartcare Holdings Ltd (“SHL”), which also acts as guarantor of the bonds. The wider Group also includes Smartcare Pinto Ltd (“SPL”), Smartcare Group Investments Ltd (“SGIL”), Smartcare Developments Ltd (“SDL”), Segond Boutique Hotels Limited (“SBHL”), Smartcare Properties Limited (“SP”), Smart Suites Limited (“SSL”) and, as at 31 December 2025, Bella Sicilia S.r.l. (“BSS”), which was acquired on 29 December 2025 under common control.

The principal activities of the Group include the management and operation of a private healthcare residence, leasing out of a hotel and the development of residential and commercial real estate.

Smartcare Finance p.l.c., having company registration number C 90123, is a public limited liability company registered in Malta on 7 January 2019. The Issuer is a subsidiary of SHL, which is the majority holder of all issued shares in the Issuer except for one ordinary share, which is directly held by Andrew Debattista Segond. As at the date of the Analysis, the Issuer, which was set up and established to act as a finance vehicle, has an authorised and issued share capital of €4,072,833 made up of 4,072,833 ordinary shares of €1 each, all fully paid up.

Smartcare Holdings Ltd, a private limited liability company with company registration number C 90121, incorporated on 7 January 2019, acts as the holding company of the Group. As of the date of the Analysis, SHL has an authorised and issued share capital of €6,197,359 made up of 6,197,359 ordinary shares of €1 each, fully paid up. The ultimate beneficial owner of the Group is Mr. Andrew Debattista Segond, who has 100% ownership of SHL.

Smartcare Group Investments Ltd, with company registration number C 97019 is a private limited liability company registered in Malta on 23 October 2020. SGIL acts as a holding company for its wholly owned operating subsidiaries, including Smartcare Pinto Ltd, Smartcare Developments Ltd, Segond Boutique Hotels Limited, Smartcare Properties Limited, Smart Suites Limited and Bella Sicilia S.r.l.

Smartcare Pinto Ltd is a fully owned subsidiary of SGIL, which is in turn fully owned by Smartcare Finance p.l.c., and eventually fully owned by SHL. SPL, company registration number C 86395, is a private limited liability company registered in Malta on 21 May 2018. As at the date of the Analysis, SPL has an authorised and issued share capital of €1,200 made up of 1,200 ordinary shares of €1 each, all fully paid up. SPL is principally involved in the owning, managing, and operating of a private healthcare residence, including the provision of all equipment, facilities, and caregiving in connection with and ancillary to the running of the residence. It owns and operates a care home, “Dar Pinto”, situated in Qormi.

Smartcare Developments Ltd with company registration number C 94871 is a private limited liability company registered in Malta on 13 February 2020. SDL was incorporated to own, develop and/or manage real estate properties owned by the Group.

Segond Boutique Hotels Limited, with company registration number C 92650, is a private limited liability company registered in Malta on 22 July 2019. SBHL was set up to acquire land in Xaghra, Gozo, and develop it into a 51-room boutique hotel (the “Boutique Hotel”).

Smartcare Properties Limited, with company registration number C 90122, is a private limited liability company registered in Malta on 7 January 2019. SP was incorporated to own, develop and manage other real estate properties owned by the Group.

Smart Suites Limited C 102278 is a private limited liability company registered in Malta on 12 May 2022. SSL acquired a 65-year temporary emphyteusis agreement on a house located in Tower Road, Sliema on 26th August 2022 with the intention to develop it into a hotel.

Bella Sicilia S.r.l., a private limited liability company incorporated in Italy on 10 November 2023, with its registered office at Via Variante S.S. 115 1/B, CAP 97015, Modica (RG), operates as a real estate development company focused on high-end villas and premium apartments in Sicily. The company has an issued and fully paid-up share capital of €125,000. With effect from 29 December 2025, all shares in Bella Sicilia S.r.l. were transferred from Mr. Andrew Debattista Segond to SGIL in consideration for the allotment of 3,822,833 ordinary shares of €1 each in SGIL, issued at par. Bella Sicilia was subsequently incorporated into the Group in December 2025 and is now a wholly owned subsidiary of SGIL forming part of the Smartcare Group.

1.2 Directors and Key Employees

Board of Directors – Issuer

During FY2025, the board of the Issuer comprised Mr Andrew Debattista Segond, Mr William Wait, Mr Ian Joseph Stafrace, Mr Sandro Grech and Mr Arthur Gauci up to 23 December 2025, following which Dr Adrian Sciberras, Dr Saverio Lauretta and Ms Isabella Vella were appointed on the same date, while Mr Ian Joseph Stafrace and Mr Arthur Gauci resigned.

As of the date of the Analysis, the Issuer is constituted by the following persons:

Name	Office Designation
Mr Andrew Debattista Segond	Executive Director
Mr William Wait	Executive Director and Chairman
Avv. Saverio Lauretta	Non-Executive Director
Mr Sandro Grech	Independent, Non-Executive Director
Dr Adrian Sciberras	Independent, Non-Executive Director
Ms Isabella Vella	Independent, Non-Executive Director

Dr Katia Cachia is the company secretary of the Issuer.

The Issuer is managed by a Board of Directors comprising six members, who are collectively responsible for the overall direction, strategy, and management of the Issuer. The Board consists of two executive directors, who are responsible for the Issuer’s day-to-day operations, and four non-executive directors. Of the non-executive directors, three are independent of the Issuer, whilst Avv. Saverio Lauretta, the Group Chief Legal Officer, is not considered independent. The principal role of the non-executive directors is to oversee the performance of the executive directors, monitor the Issuer’s operations, and review matters and proposals presented to the Board.

This practice goes in accordance with the generally accepted principles of sound corporate governance, where at least one of the directors shall be a person independent of a group of companies. The Issuer does not have any employees of its own and thus is dependent on the resources within the Group entities.

Board of Directors – Guarantor

As at the date of this Analysis, the board of Smartcare Holdings Ltd is constituted by the following persons:

Name	Office Designation
Mr Andrew Debattista Segond	Executive Director
Dr Adrian Sciberras	Independent, Non-Executive Director
Mr William Wait	Non-Executive Director

The business address of the aforementioned directors is the registered office of the Issuer. Mr Andrew Debattista Segond is the company secretary of the Guarantor. As at 31 December 2025 – the date of the last published audited financial statements – the average number of persons employed with the Group was 114 (2024: 113 employees).

1.3 Major Assets owned by the Group

The Issuer does not have any substantial assets other than the investments it holds in its subsidiaries since it is essentially a special purpose vehicle set up to act as a financing company. The material assets are owned by other companies of the Group, hence in the following section, we will focus on the assets owned by the Group.

Dar Pinto, Qormi

Dar Pinto, situated in Qormi, remained the Group's core operating asset and principal recurring income generator. It is a long-term care facility for the elderly, and it is owned and operated through SPL under a public-private partnership agreement with the Government of Malta, whereby all beds are sold to the Government for a fixed period of five years with the possibility of renewal. The care home is housed within a six-storey property connecting Triq Guže' Duca and Triq I-Imdina and was originally configured for 132 beds, with a first extension of 47 additional beds completed in 2023 following the acquisition and development of adjacent apartments. The facility offers a range of accommodation, care and support services for residents with low, medium and high dependency needs, and plays an important role in addressing the demand for elderly care services in Malta.

Segond Boutique Hotel, Xaghra – Gozo

The Segond Hotel in Xaghra, Gozo, is another key Group asset. The property comprises a 51-room boutique hotel with 14 large suites, each with a private pool, and 37 double rooms, supported by two reception areas, a bar, a restaurant and breakfast area, a seating and luggage area and a rooftop pool. The hotel commenced operations in January 2022 and, following the lease of the property to a third party on 22 January 2025, was reclassified as investment property in the FY2025 consolidated financial statements. At 31 December 2025, investment property amounted to €5.8m, and the Group recognised a fair value gain of €1.2m on the Segond Hotel on reclassification.

Residential Property Developments

The Group's property development activities in Malta are carried out through SP or SDL. Both entities have completed and sold multiple residential units and generated an aggregate revenue of €10.2 million over the period 2023 to 2025. As at 31 December 2025, the Group had active developments comprising apartments, maisonettes, penthouses, and townhouses located in Hamrun, Żebbuġ, Xaghra, Żurrieq, Żejtun, Pietà, and Sliema. The majority of these units have been sold either by deed or under promise of sale agreements.

Bella Sicilia S.r.l. – Sicily, Italy

On 10 November 2023, Bella Sicilia S.r.l. was established in Italy as a property development company with the objective of developing and selling high-end villas and premium apartments in the Modica-Ragusa region. The company was subsequently integrated into the Smartcare Group in December 2025 following the transfer of its entire shareholding to SGIL. Since acquisition, Bella Sicilia has been building a pipeline of residential and mixed-use developments across south-eastern Sicily, holding a portfolio of development sites and land parcels, including assets under promise of sale agreements. As at 31 December 2025, Bella Sicilia's development portfolio is recognised within the Group's inventories at a value of €13.6 million, making it a significant asset contributor and a key growth driver within the Group's expanding real estate segment.

1.4 Operational Developments

Dar Pinto

In the care home segment, Dar Pinto continued to provide a stable and predictable income stream. The agreement with Government, which had previously been due to expire on 31 May 2024, was successfully renegotiated and extended in June 2024 for a further five-year period to May 2029, thereby underpinning medium-term revenue visibility in this core business line. A second extension project at Dar Pinto, aimed at adding a further 34 beds, progressed significantly during the period; excavation and demolition works have been completed and civil works have commenced. The project is expected to be completed by June 2027, with estimated remaining development costs of €1.4 million as at 31 December 2025. This extension is intended to enhance capacity and support incremental revenue generation once fully operational.

Tower Road Project

The Tower Road hotel project in Sliema, held within SSL under a 65-year temporary emphyteusis acquired in August 2022, continues to be developed as a boutique hotel comprising 12 standard rooms, one suite, and one penthouse. Approximately €1.3 million of the net proceeds from the €7.5 million 4.65% Secured Bonds 2032 were allocated to this project. The development remains in its construction phase, with an estimated completion date in Q3 2026.

Residential Apartments

Hamrun Project

SDL entered into a contract of works agreement with Santa Katerina Construction Limited ("**Santa Katerina**") to demolish parts of the existing properties and construct the site for a fixed price of €1.2m. SDL also entered into two promise of sale agreements with Santa Katerina for the sale of a divided share of the Hamrun property and the development thereof – of which all the related properties were transferred through contracts as at the date of this report.

The Hamrun project comprises a mixed-use development including residential units (apartments, maisonettes and penthouses), commercial outlets at ground-floor level, and underlying garages and parking spaces. Construction works commenced in 2021 and were completed in 2025, with the development now largely transitioned into its final sales and handover phase.

During the course of the development, certain units were transferred through barter arrangements to settle outstanding obligations, including liabilities related to catering services, and further similar arrangements remain in place in respect of construction and related costs. This approach has enabled the Group to optimise liquidity while progressing its development pipeline and realising value from completed units.

Xaghra Project

The Xaghra development comprises a residential project consisting of 24 residential units across three blocks (comprising 10, 9, and 5 units respectively), together with 8 underlying garages and 3 parking spaces. The project offers a mix of 1-bedroom, 2-bedroom and 3-bedroom apartments, as well as penthouse units.

As at 31 December 2025, the project was substantially completed, with the majority of units either sold by deed or subject to promise of sale agreements. Across the development, a significant portion of the units had already been disposed of, contributing to cumulative contracted sales of approximately €1.8 million, with further units under promise of sale agreements. The remaining inventory is limited, with only a small number of units still available for sale.

Construction works, which commenced in 2021, reached completion in 2025, with the project transitioning into its final sales and handover phase. Overall, the Xaghra project has generated strong sales traction, with the majority of revenue either realised or contractually secured, thereby reducing residual inventory risk and supporting near-term cash flow visibility.

Pietà Development Project

In 2022, Smartcare Properties Ltd initiated the Pietà Development Project. The company acquired a Farmhouse named 'Ir-Razzett ta' Gauci,' situated at the corner of Triq id- Duluri and Triq Santa Monica in Pietà. This property includes the surrounding gardens, structures, overlying roofs, and underlying terrain, occupying a superficial area of approximately 770m². The objective of the project is to demolish the existing farmhouse and construct five townhouses on the site.

Currently, the project is in the construction phase, with an estimated completion date set for October 2026.

Żejtun Development Project

In 2022, Smartcare Properties Ltd initiated the Żejtun Development Project. The company acquired a former factory known as "Winner Mineral Water". This project aims to demolish and regenerate 1,000sqm of this abandoned factory, aligning with the company's environmental policies. By replacing the hazards and eyesores of the abandoned factory within the Urban Conservation Area, the project contributes to revitalising its surroundings. The new residences will replace the fully developed abandoned concrete area with two aesthetically pleasing townhouses and underground parking garages while retaining approximately 50% of the land as an outdoor space or garden area.

The Żejtun Development Project is currently in the construction phase. Management estimates this to be completed later in 2026.

Żebbuġ Project

On 25 August 2025, SDL acquired properties Nos. 81 and 83, Triq is-Sigġiewi, Żebbuġ, with a combined site area of 720 sqm. The site is being developed into two residential units and is currently under construction, with completion expected in January 2027. Both units are subject to promise of sale agreements and are expected to be transferred in 2027.

Żurrieq Project

This development comprises a townhouse with garages and a pool, currently under construction and subject to a promise of sale agreement.

Sliema Project

SP developed six residential units within an apartment complex located in Sliema, situated within walking distance to the Qui-Si-Sana seafront promenade on Hughes Hallet Street, offering side sea views from the front terraces.

The development comprises a mix of residential units designed with modern layouts, including internal bathrooms and open-plan kitchen, dining and living areas leading to spacious front terraces. Each unit also includes multiple bedrooms, a main bathroom, and a rear terrace.

As at the date of this Analysis, the project has been substantially completed, with five residential units sold by deed and the remaining unit subject to a promise of sale agreement, reflecting the near full disposal of the development.

Bella Sicilia S.r.l. – Sicily Developments

Bella Sicilia S.r.l. continues to advance a portfolio of residential developments across south-eastern Sicily, comprising a mix of apartments, villas and lifestyle-oriented projects located primarily in the Modica–Ragusa region. The portfolio includes developments such as San Andrea Residences, Laguna Residences, Del Borgho Albaccara, Spiaggia D'Oro and Mare D'Oro, each positioned within the mid- to high-end segment of the local property market.

As at 31 December 2025, these projects were at varying stages of development, ranging from early construction to near completion, with a number of units already sold or subject to promise of sale agreements. This has supported a growing level of contracted revenue and provides visibility over future cash inflows as projects progress toward completion.

Development activity remains ongoing, with the Group continuing to deploy capital across these projects while advancing construction works and securing further pre-sales. Overall, Bella Sicilia's development pipeline represents a key contributor to the Group's medium-term growth strategy, with the scale and geographic diversification of the portfolio expected to support earnings generation in the coming years, albeit subject to typical development and execution risks.

1.5 Current Bond Issues

Security	ISIN	€
4.65% Smartcare Finance plc Secured € 2031	MT0002251214	13.0m
4.65% Smartcare Finance plc Secured € 2032	MT0002251222	7.5m

1.6 Use of Proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €10,600,000, will be utilised for the following purposes, in the following amounts and order of priority:

1. an amount of *circa* €1,040,000 of the Bond Issue net proceeds will be used by Bella Sicilia Srl for the following purposes:
 - i. an amount of *circa* €460,000 will be used to part-finance acquisition costs in connection with the Laguna Project;
 - ii. an amount of *circa* €230,000 will be used to part-finance acquisition costs in connection with the agricultural farm adjacent to the Laguna Project; and
 - iii. an amount of *circa* €350,000 will be used for associated transactions and settlement costs, including professional payments, notarial fees, registration charges and related taxes incurred in relation to the above.

details of which are set out in sub-section 5.5 of the EU Follow-on Registration Document;

2. an amount of *circa* €5,510,000 of the Bond Issue net proceeds will be used by Bella Sicilia Srl to part-finance construction and development costs of the Laguna Project details of which are set out in sub-section 5.5 of the EU Follow-on Registration Document;
3. an amount of *circa* €750,000 of the Bond Issue net proceeds will be used by Segond Boutique Hotels Limited for the full repayment of an existing facility taken out with Lombard Bank Malta plc prior to the date of the EU Follow-on Prospectus, utilised to finance cost overruns and improvements carried out at the Segond Boutique Hotel and pre-opening expenses at the Segond Boutique Hotel, details of which are set out in sub-section 5.5 of the EU Follow-on Registration Document; and
4. the remaining balance of net Bond Issue proceeds in an amount of *circa* €3,300,000 will be used for the general corporate funding purposes of the Group.

PART 2 • HISTORICAL PERFORMANCE AND FORECASTS

The Issuer was incorporated on 7 January 2019 and is essentially a special purpose vehicle established to act as a financing company for the needs of the Group. The Issuer does not undertake trading activities itself apart from raising capital and advancing funds to members of the Group and is therefore economically dependent on the financial and operating performance of the Group's healthcare, hospitality and real estate businesses. The Issuer's audited financial performance for the years ended 31 December 2023 to 31 December 2025, together with management projections for FY2026 and FY2027, are set out in sections 2.1 to 2.3.

For the purpose of this Analysis, the focus is a review of the consolidated performance of the Group as captured by Smartcare Holdings Ltd, which includes Smartcare Pinto Ltd and the other subsidiaries of the Group, namely Smartcare Group Investments Ltd, Smartcare Developments Ltd, Segond Boutique Hotels Limited, Smartcare Properties Limited, Smart Suites Limited and, following its incorporation into the Group in December 2025, Bella Sicilia S.r.l. The Group's audited financial performance for the years ended 31 December 2023, 2024 and 2025, together with management projections for FY2026 and FY2027, are set out in sections 2.4 to 2.6. The forecasts are based on management projections.

The projected financial statements detailed below relate to events in the future and are based on assumptions which management believes to be reasonable. Consequently, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

The values presented throughout Part 2 are presented in Euro (€) thousands; individual subtotals and totals may not add up precisely due to rounding, as each line item is independently rounded to the nearest thousand.

2.1 Issuer's Income Statement

Income Statement for the financial years ended	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
	€000s	€000s	€000s	€000s	€000s
Revenue	1,192	1,200	1,196	1,628	2,009
Total Finance Income	1,192	1,200	1,196	1,628	2,009
Finance costs	(1,052)	(1,053)	(1,052)	(1,358)	(1,664)
Net finance income	140	147	144	269	345
Administrative expenses	(105)	(120)	(106)	(120)	(127)
Profit/(loss) before tax	35	27	38	149	218
Income tax	–	–	–	(52)	(76)
Profit/(loss) after tax	35	27	38	97	142

Ratio Analysis	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
Net Interest Margin (Net finance income / Finance income)	11.7%	12.2%	12.0%	16.6%	17.2%
Net Margin (Profit for the year / Finance income)	2.9%	2.2%	3.2%	6.0%	7.0%

In FY2025, the Issuer generated revenue of €1.2m and thus remained broadly in line with that of FY2024, reflecting the stable income profile of a financing vehicle whose activities are focused on financing and investment rather than trading. This revenue from finance income is expected to increase to €1.6m in FY2026 and €2.0m in FY2027, reflecting the Issuer's role in financing the Group and the anticipated expansion of intra-group financing activity following the new Bond Issue and the Group's development programme.

Finance costs were €1.05m in FY2025, broadly unchanged from FY2024, reflecting the fixed coupon obligations from prior bond issues. Management forecasts finance costs of €1.36m in FY2026 and €1.66m in FY2027. Despite the higher finance cost burden, net finance income is projected to increase from €144k in FY2025 to €269k in FY2026 and €345k in FY2027, resulting in an improvement in the Net Interest Margin from 12.0% in FY2025 to 16.6% in FY2026 and 17.2% in FY2027.

The Issuer reported profit before tax of €38k and profit after tax of €38k in FY2025, compared with €27k in FY2024. Management forecasts a material improvement in profitability, with profit before tax of €149k and profit after tax of €97k in FY2026, followed by profit before tax of €218k and profit after tax of €142k in FY2027. The increase in profitability is reflected in the Net Margin, which is projected to rise from 3.2% in FY2025 to 6.0% in FY2026 and 7.0% in FY2027.

2.2 Issuer's Statement of Financial Position

Statement of Financial Position as at	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
	€000s	€000s	€000s	€000s	€000s
Assets					
<i>Non-current</i>					
Investment in subsidiary	20,101	20,101	20,101	23,924	23,924
Loan receivable	3,012	1,122	1,121	11,721	11,721
Total non-current assets	23,113	21,223	21,222	35,645	35,645
<i>Current</i>					
Trade and other receivables	281	239	260	642	642
Loan Receivable	-	2,025	1,875	-	-
Current tax asset	307	632	963	963	963
Cash and cash equivalents	1	1	7	2,014	2,295
Total current assets	589	2,897	3,105	3,619	3,899
Total assets	23,702	24,120	24,327	39,264	39,545
Equity and liabilities					
<i>Capital and reserves</i>					
Share capital	250	250	250	4,073	4,073
Retained earnings	237	264	283	380	522
Total equity	487	514	533	4,453	4,595
<i>Non-current liabilities</i>					
Debt securities in issue	19,764	19,864	19,951	30,682	30,821
Loan payable	2,587	2,552	2,571	2,571	2,571
Total non-current liabilities	22,351	22,415	22,522	33,252	33,391
<i>Current liabilities</i>					
Trade and other payables	864	1,191	1,273	1,558	1,558
Total current liabilities	864	1,191	1,273	1,558	1,558
Total liabilities	23,215	23,606	23,794	34,811	34,950
Total equity and liabilities	23,702	24,120	24,327	39,264	39,545

As at 31 December 2025, the Issuer's total assets stood at €24.3m, compared with €24.1m at 31 December 2024. Non-current assets amounted to €21.2m and were principally comprised of the Issuer's €20.1m investment in its subsidiary and a non-current loan receivable of €1.1m. Current assets totalled €3.1m and consisted mainly of current loan receivables of €1.9m, current tax assets of €963k and trade and other receivables of €260k.

Following the transfer of the SGIL shares to the Issuer, the investment in subsidiary is forecast to increase to €23.9m in FY2026 and remain unchanged in FY2027. In addition, the non-current loan receivable is projected to increase significantly to €11.7m in FY2026 and remain at that level in FY2027, reflecting the Issuer's role as the principal financing vehicle of the Group. Cash and cash equivalents are forecast to increase from €7k at 31 December 2025 to €2.0m in FY2026 and €2.3m in FY2027.

Total equity increased marginally to €533k at 31 December 2025 from €514k in the previous year, reflecting retained profits generated during the period. Equity is forecast to increase substantially to €4.45m in FY2026 and €4.60m in FY2027, primarily as a result of the transfer of the SGIL shares to the Issuer together with the continued accumulation of retained earnings.

The Issuer's funding structure remains predominantly debt-funded. Debt securities in issue amounted to €19.95m at 31 December 2025 and are forecast to increase to €30.68m in FY2026 and €30.82m in FY2027 following the proposed Bond Issue. Non-current loans payable are projected to remain stable at €2.57m in both forecast years, whilst current trade and other payables are forecast at €1.56m per annum. Consequently, total liabilities are projected to increase to €34.81m in FY2026 and €34.95m in FY2027.

2.3 Issuer's Statement of Cash Flows

Cash Flow Statement for the financial years ended	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
	€000s	€000s	€000s	€000s	€000s
Cash flows from operating activities					
Profit/(loss) before tax	35	27	38	149	218
Adjustments	(68)	(147)	(204)	(258)	(345)
Net changes in working capital	(82)	44	(222)	-	-
Taxation paid	-	-	-	(52)	(76)
Net cash generated from / (used in) operating activities	(115)	(76)	(387)	(161)	(204)
Cash flows from investing activities					
Interest and dividend received	-	-	-	1,246	2,009
Repayment / (issuance) of loan receivable to related parties	896	1,065	1,347	1,875	-
Advances to group companies	-	-	-	(10,600)	-
Net cash generated from / (used in) investing activities	896	1,065	1,347	(7,479)	2,009
Cash flows from financing activities					
Proceeds from the issue of debt securities	-	-	-	10,600	-
Advances from related parties	108	(36)	-	-	-
Interest paid	(953)	(953)	(953)	(953)	(1,525)
Net cash generated from / (used in) financing activities	(845)	(989)	(953)	9,647	(1,525)
Net movement in cash and cash equivalents	(64)	(0)	6	2,007	281
Cash and cash equivalents at the beginning of year	65	1	1	7	2,014
Cash and cash equivalents at the end of year	1	1	7	2,014	2,295

The Issuer generated a net cash outflow from operating activities of €387k in FY2025, compared with an outflow of €76k in FY2024. Investing activities generated €1.3m in FY2025, mainly from repayments of loans from related parties, while financing activities resulted in a net outflow of €953k, principally reflecting interest paid on debt securities. Year-end cash increased to €7k. The forecast cash flow profile changes materially following the proposed Bond Issue: in FY2026, the Issuer is expected to receive €10.6m from the issue of debt securities, while interest and dividend receipts and loan repayments contribute to investing cash inflows. This results in a projected €2.0m closing cash balance in FY2026. In FY2027, the Issuer is forecast to generate €2.0m of investing cash inflows, with financing cash outflows of €1.5m primarily reflecting interest paid, resulting in closing cash of €2.3m.

The Issuer's cash flow profile remains characteristic of a financing company, with operating cash generation largely offset by recurring financing costs.

2.4 Group's Income Statement

Consolidated Income Statement for the financial years ended	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
	€000s	€000s	€000s	€000s	€000s
Revenue	6,621	5,541	12,295	19,516	23,010
Cost of sales	(4,608)	(2,937)	(8,061)	(13,733)	(17,083)
Gross profit	2,013	2,604	4,233	5,783	5,927
Other income	16	4	19	3	3
Administrative expenses	(1,575)	(1,880)	(1,583)	(1,820)	(1,917)
EBITDA	454	728	2,670	3,966	4,013
Depreciation	(498)	(428)	(336)	(374)	(398)
EBIT	(44)	301	2,334	3,592	3,615
Fair value gain/(loss) of investment property	-	-	1,176	-	-
Finance costs	(1,119)	(1,188)	(1,097)	(1,448)	(1,737)
Profit/(loss) before tax	(1,163)	(888)	2,413	2,144	1,878
Taxation	(132)	(160)	(80)	(1,308)	(1,611)
Profit/(loss) after tax	(1,295)	(1,047)	2,333	836	267

Ratio Analysis	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
<i>Profitability</i>					
Growth in Revenue (YoY Revenue Growth)	20.9%	-16.3%	121.9%	58.7%	17.9%
Gross Profit Margin (Gross Profit / Revenue)	30.4%	47.0%	34.4%	29.6%	25.8%
EBITDA Margin (EBITDA / Revenue)	6.9%	13.1%	21.7%	20.3%	17.4%
Operating (EBIT) Margin (EBIT / Revenue)	-0.7%	5.4%	19.0%	18.4%	15.7%
Net Margin (Profit for the year / Revenue)	-19.6%	-18.9%	19.0%	4.3%	1.2%
Return on Common Equity (Net Income / Average Equity)	-11.0%	-9.9%	16.5%	4.5%	1.4%
Return on Assets (Net Income / Average Assets)	-2.9%	-2.3%	4.5%	1.4%	0.4%

In FY2025, the Group reported a significant improvement in operating performance, with consolidated revenue increasing to €12.3m from €5.5m in FY2024, representing year-on-year growth of 121.9%. Revenue was generated principally from the Qormi care home, the leasing of the Segond Boutique Hotel and property sales. Cost of sales increased to €8.1m from €2.9m, reflecting higher property sales and development activity, whilst gross profit improved to €4.2m from €2.6m. Although the gross profit margin moderated to 34.4% from 47.0% in FY2024, largely as a result of the increased contribution from property sales and development activities, administrative expenses declined to €1.6m from €1.9m, resulting in EBITDA increasing to €2.7m from €728k in FY2024. Consequently, the EBITDA margin strengthened significantly from 13.1% to 21.7%, demonstrating improved operating efficiency and operating leverage across the business.

The stronger FY2025 performance was driven by increased property sales, stable earnings from Dar Pinto under the renewed Government agreement, and the transition of the Segond Boutique Hotel to a third-party lease arrangement. In addition, the Group recognised a fair value gain of €1.2m following the reclassification of the Boutique Hotel as an investment property. Depreciation decreased to €336k from €428k in FY2024, contributing to profit before tax of €2.4m and profit after tax of €2.3m, compared to a loss before tax of €888k and a loss after tax of €1.05m in FY2024. As a result, the Group's EBIT margin improved markedly from 5.4% to 19.0%, whilst the net profit margin increased to 19.0% from -18.9% in FY2024. The return to profitability also translated into a Return on Common Equity (ROE) of 16.5% and a Return on Assets (ROA) of 4.5%, compared to negative returns in the preceding year, reflecting a more effective utilisation of both shareholder capital and the Group's asset base.

Looking ahead, revenue is forecast to increase to €19.5m in FY2026 and €23.0m in FY2027, representing growth rates of 58.7% and 17.9%, respectively. This growth is expected to be supported by the Group's development pipeline and the contribution from Bella Sicilia S.r.l., which was incorporated into the Group in December 2025. Gross profit is projected at €5.8m in FY2026 and €5.9m in FY2027, while EBITDA is expected to reach approximately €4.0m in both years. Notwithstanding the increase in earnings, the gross profit margin is forecast to moderate from 34.4% in FY2025 to 29.6% in FY2026 and 25.8% in FY2027, whilst the EBITDA margin is projected to decrease from 21.7% to 20.3% and 17.4%, respectively. This trend reflects a changing revenue mix, with a greater contribution from development and property-related activities, which typically generate lower margins than recurring rental and care home operations.

EBIT is forecast at €3.6m in both FY2026 and FY2027, resulting in projected EBIT margins of 18.4% and 15.7%, respectively. Profit before tax is expected to amount to €2.1m in FY2026 and €1.9m in FY2027, whilst profit after tax is projected at €836k and €267k, respectively, following forecast taxation charges of €1.3m and €1.6m. Consequently, the net profit margin is expected to decline to 4.3% in FY2026 and 1.2% in FY2027. Similarly, ROE is projected to moderate to 4.5% and 1.4%, whilst ROA is forecast to decline to 1.4% and 0.4%, respectively. Although these metrics indicate lower bottom-line returns relative to FY2025, the Group is nevertheless expected to maintain strong operating profitability. The projected reduction in net profitability primarily reflects higher finance costs and taxation associated with the Group's expansion strategy and increased asset base, rather than any deterioration in the underlying operating performance of the business.

2.5. Group's Statement of Financial Position

Consolidated Statement of Financial Position as at	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
	€000s	€000s	€000s	€000s	€000s
Assets					
<i>Non-current assets</i>					
Property, plant and equipment	25,496	25,161	21,968	23,090	22,798
Investment property	–	–	5,776	6,142	6,142
Intangible assets	6	3	3	2	1
Goodwill	311	311	311	311	311
Loans receivable	4,906	5,083	691	691	691
Total non-current assets	30,719	30,558	28,749	30,236	29,942
<i>Current assets</i>					
Inventories	8,136	10,447	22,873	13,856	2,675
Trade and other receivables	5,394	5,326	4,459	432	478
Cash and cash equivalents	1,088	374	1,533	15,261	25,958
Other asset	257	7	–	–	–
Total current assets	14,874	16,155	28,866	29,549	29,111
Total assets	45,593	46,713	57,615	59,785	59,053
Equity and liabilities					
<i>Capital and reserves</i>					
Share capital	2,375	2,375	6,197	6,197	6,197
Revaluation reserves	11,325	11,325	13,330	13,330	13,330
Accumulated losses	(2,582)	(3,629)	(1,296)	(461)	(194)
Total equity	11,118	10,071	18,231	19,066	19,333
<i>Non-current liabilities</i>					
Non-current Borrowings	3,919	3,648	1,328	–	–
Loans payable	1,047	967	–	–	–
Finance lease liability (non-current)	1,749	1,882	1,892	1,898	1,904
Debt securities in issue	19,765	19,864	19,951	30,682	30,821
Deferred tax liabilities	1,283	1,409	1,015	1,228	1,470
Trade and other payables	283	172	1,124	609	379
Total non-current liabilities	28,045	27,941	25,310	34,417	34,574
<i>Current liabilities</i>					
Current Borrowings	251	1,749	2,288	1,567	–
Finance lease liability (current)	69	5	–	–	–
Trade and other payables	6,110	6,947	11,786	4,734	5,146
Total current liabilities	6,430	8,701	14,074	6,301	5,146
Total liabilities	34,475	36,642	39,384	40,719	39,720
Total equity and liabilities	45,593	46,713	57,615	59,785	59,053

Ratio Analysis	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
<i>Financial Strength</i>					
Gearing 1 (Net Debt / Net Debt and Total Equity)	69.8%	73.4%	56.8%	49.8%	25.9%
Gearing 2 (Total Liabilities / Total Assets)	75.6%	78.4%	68.4%	68.1%	67.3%
Gearing 3 (Net Debt / Total Equity)	231.3%	275.5%	131.2%	99.1%	35.0%
Net Debt / EBITDA	56.6x	38.1x	9.0x	4.8x	1.7x
Current Ratio (Current Assets / Current Liabilities)	2.3x	1.9x	2.1x	4.7x	5.7x
Interest Coverage level 1 (EBITDA / Cash interest paid)	0.4x	0.7x	2.7x	4.1x	2.6x
Interest Coverage level 2 (EBITDA / Finance Costs)	0.4x	0.6x	2.4x	2.7x	2.3x

Total Group assets increased to €57.6m as at 31 December 2025 from €46.7m in FY2024. Non-current assets stood at €28.7m and comprised principally property, plant and equipment of €22.0m, investment property of €5.8m, goodwill of €311k and loans receivable of €0.7m. Current assets amounted to €28.9m, primarily consisting of inventories of €22.9m, trade and other receivables of €4.5m and cash balances of €1.5m.

Management forecasts total assets of €59.8m in FY2026 and €59.1m in FY2027. While the overall asset base is expected to remain broadly stable, its composition is projected to change materially. Inventories are forecast to decrease from €22.9m at 31 December 2025 to €13.9m in FY2026 and €2.7m in FY2027, reflecting the progression and sale of development projects. This is expected to translate into higher liquidity, with cash and cash equivalents projected to increase to €15.3m in FY2026 and €26.0m in FY2027. Trade and other receivables are similarly forecast to decrease to €432k and €478k respectively, while investment property is expected to increase modestly to €6.1m in FY2026 and remain broadly stable thereafter.

Total equity increased to €18.2m at 31 December 2025 from €10.1m in FY2024, driven by the non-cash capital injection arising from the acquisition of Bella Sicilia, retained earnings and the revaluation uplift recognized during the year. Equity is forecast to increase further to €19.1m in FY2026 and €19.3m in FY2027. Total liabilities are projected at €40.7m in FY2026 and €39.7m in FY2027, with debt securities in issue increasing to approximately €30.7m and €30.8m respectively following the proposed Bond Issue. Conversely, current liabilities are forecast to decline from €14.1m at 31 December 2025 to €6.3m in FY2026 and €5.1m in FY2027.

The forecast balance sheet indicates a strengthening financial position over the forecast period. Gearing 1 is projected to improve from 56.8% in FY2025 to 49.8% in FY2026 and further to 25.9% in FY2027, while Gearing 3 is commensurately forecast to decline from 131.2% in FY2025 to 35.0% by FY2027. Net Debt to EBITDA is expected to improve from 9.0x in FY2025 to 4.8x in FY2026 and 1.7x in FY2027, driven by the conversion of development inventory into cash and the accumulation of liquidity. The Current Ratio is projected to strengthen from 2.1x in FY2025 to 4.7x and 5.7x in the forecast years. Interest coverage is expected to remain above 2.0x, at 4.1x in FY2026 and 2.6x in FY2027, indicating an ongoing ability to service debt obligations notwithstanding the higher projected finance costs.

2.6. Group's Statement of Cash Flows

Consolidated Statement of Cash Flows	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
	€000s	€000s	€000s	€000s	€000s
Operating activities					
Profit (loss) before tax	(1,163)	(888)	2,413	2,144	1,878
Adjustments	1,618	1,616	344	1,834	2,136
Net changes in working capital	(2,163)	(1,145)	2,462	3,719	11,317
Taxes paid	(141)	(145)	(486)	(1,095)	(1,370)
Net cash generated from / (used in) operating activities	(1,850)	(562)	4,733	6,602	13,961
Investing activities					
Acquisition of property, plant and equipment	(176)	(20)	(792)	(387)	(106)
Acquisition of intangible assets	-	-	(3)	-	-
Net cash generated from / (used in) investing activities	(176)	(20)	(795)	(387)	(106)
Financing activities					
Proceeds from issue of bond	-	-	-	10,600	-
Proceeds from bank borrowings / loans	2,101	1,478	299	720	-
Loans granted to related parties	(751)	(270)	-	-	-
Loan proceeds from related parties	995	-	-	-	-
Lease payments	-	-	-	(65)	(65)
Payment of bank borrowings / loans	(482)	(251)	(2,081)	(2,769)	(1,567)
Interest paid	(1,020)	(1,089)	(998)	(973)	(1,527)
Net cash generated from / (used in) financing activities	843	(132)	(2,780)	7,513	(3,159)
Net change in cash and cash equivalents	(1,182)	(713)	1,159	13,728	10,697
Cash and cash equivalents, beginning of the year	2,270	1,088	374	1,533	15,261
Cash and cash equivalents, end of the year	1,088	374	1,533	15,261	25,958

Ratio Analysis	31-Dec-23 <i>Audited</i>	31-Dec-24 <i>Audited</i>	31-Dec-25 <i>Audited</i>	31-Dec-26 <i>Forecast</i>	31-Dec-27 <i>Forecast</i>
<i>Cash Flow</i>					
Free Cash Flow (Net cash from operations – Capex)	(2,025)	(582)	3,941	6,215	13,855

The Group generated net cash from operating activities of €4.7m in FY2025, compared with an outflow of €562k in FY2024. This improvement was driven by the return to profitability, favourable working capital movements and cash contributions from the Group's property and care home operations. Investing activities resulted in a net cash outflow of €795k, primarily relating to expenditure on property, plant and equipment and intangible assets. Financing activities generated a net cash outflow of €2.8m, reflecting bank loan repayments and interest paid. As a result, cash and cash equivalents increased to €1.5m as at 31 December 2025.

Management forecasts continued strong cash generation over the projection period. Net cash generated from operating activities is projected at €6.6m in FY2026 and €14.0m in FY2027, while free cash flow is forecast at €6.2m and €13.9m, respectively. Investing cash outflows are expected to remain modest at €387k in FY2026 and €106k in FY2027.

Financing activities are projected to generate a net inflow of €7.5m in FY2026, principally reflecting the €10.6m net proceeds from the proposed Bond Issue, partly offset by debt servicing and other financing movements. In FY2027, financing activities are forecast to result in a net outflow of €3.2m as the Group continues to repay borrowings and service its debt obligations.

Overall, cash and cash equivalents are projected to increase by €13.7m in FY2026 and €10.7m in FY2027, reaching €15.3m and €26.0m, respectively, at year end. The forecast cash flow profile indicates a significant strengthening in liquidity, supported by positive operating cash generation, the proceeds of the proposed Bond Issue, and the conversion of development inventory into cash as projects are completed and sold. This is consistent with the projected reduction in inventories and the improvement in the Group's leverage and liquidity metrics over the forecast period.

PART 3 • KEY MARKET AND COMPETITOR DATA

3.1. General Market Conditions

At the time of publication of this Analysis, management considers that generally, it shall be subject to the normal business risks associated with the industries in which the companies are involved and operate and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of the companies and their respective businesses, at least with respect to the financial years 2026 and 2027. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

3.2. Economic Update¹

According to the Central Bank of Malta's Economic Update 8/2026, the Maltese economy continued to demonstrate resilience during the summer months of 2026. The Bank's Business Conditions Index (BCI) remained slightly below its long-term average in July but improved marginally from the previous month, reflecting stronger tax revenue performance and economic sentiment.

Consumer confidence eased in July but remained well above its historical average, indicating continued household optimism. Economic activity remained generally positive, with services production and retail trade continuing to expand, while tourism activity remained particularly strong. Total tourist expenditure increased by 15.2% in June on an annual basis. Industrial production, however, contracted in June, highlighting ongoing sectoral volatility.

Property market conditions remained relatively robust, although residential and commercial permits, final deeds and promise-of-sale agreements registered slight annual declines in July.

The labour market remained tight notwithstanding signs of moderation. The seasonally adjusted unemployment rate stood at 3.5% in June 2026, marginally below the previous month but above the level recorded a year earlier.

Inflation remained contained and below euro area levels. Annual HICP inflation edged up to 2.1% in July from 2.0% in June, while core inflation stood at 2.3%. Government measures to maintain stable energy prices continued to limit domestic inflationary pressures.

Public finances improved modestly in June, with the Consolidated Fund registering a deficit of €285.5 million, compared with €311.4 million in the corresponding period of 2025. Meanwhile, credit and deposit growth remained strong, with resident deposits increasing by 7.7% and credit to residents rising by 8.4% year-on-year in June.

3.3. Economic Outlook²

The Central Bank of Malta's latest projections indicate that the Maltese economy is expected to remain resilient despite ongoing geopolitical uncertainty. Real GDP growth is forecast at 3.8% in 2026, 3.6% in 2027 and 3.8% in 2028, supported primarily by domestic demand and particularly by continued growth in private consumption.

Employment growth is expected to moderate gradually over the forecast horizon, while the unemployment rate is projected to remain broadly stable at around 3.4%.

Inflation is forecast to remain moderate, with HICP inflation projected at 2.2% in 2026, rising slightly to 2.4% in 2027 before easing to 2.2% in 2028. Stable domestic energy prices are expected to continue mitigating the impact of external energy shocks.

Public finances are projected to strengthen further, with the general government deficit declining from 2.2% of GDP in 2025 to 1.9% in 2026 and 1.6% by 2028. The debt-to-GDP ratio is also forecast to decrease gradually over the projection period.

Risks to the outlook remain linked primarily to geopolitical developments and potential disruptions to global supply chains and commodity markets. Nevertheless, the Central Bank assesses risks to economic growth as broadly balanced, while risks to inflation remain tilted to the upside.

¹ Central Bank of Malta, Economic Update 8/2026 (Aug 2026).

² Central Bank of Malta, Outlook for the Maltese Economy 2026:3.

3.4. Population Dynamics

Malta Population^{3,4}

Between 2013 and 2024, Malta experienced sustained population growth, increasing from 428,156 residents to an estimated 574,250 by end-2024, representing overall growth of over 34%. This expansion continues to be largely driven by migration, particularly among foreign nationals. By 2024, non-Maltese citizens accounted for 29.4% of the total population, compared to significantly lower levels a decade earlier. In contrast, growth among Maltese nationals remained comparatively modest, reinforcing the increasing role of foreign workers in supporting population and labour force expansion.

Demographic trends indicate gradual ageing, although at a slower pace than in many EU countries. By 2024, 18.4% of the population was aged 65 and over, while 14.5% were under the age of 18, pointing to a continued shift towards an older population structure. The median age stood at approximately 39.8 years in 2024, remaining relatively stable over the past decade and below the EU average, reflecting the inflow of younger working-age migrants.

Gender composition has also shifted, with males accounting for 53.1% of the total population in 2024, compared to a near-balanced distribution a decade earlier. This change is closely linked to migration dynamics, as a larger share of incoming workers are male.

Population density has continued to rise in line with population growth, reaching approximately 1,686 residents per km² in 2024, up from significantly lower levels a decade ago. The Northern Harbour district remains the most densely populated region, while Gozo and Comino continue to exhibit the lowest population density. At the locality level, urban areas such as Sliema, Pietà and Gżira remain among the most densely populated, reflecting strong urban concentration and housing demand.

European Context and Long-Term Outlook⁵

According to the European Commission's 2024 Ageing Report, the EU's demographic outlook is characterised by population stagnation followed by decline. The EU population is projected to increase slightly from 449 million to 453 million by 2026, before falling to approximately 432 million by 2070. This trend reflects declining fertility rates and increasing longevity across Member States.

The report highlights a pronounced ageing trend, with the proportion of older individuals rising significantly over time. The old-age dependency ratio is expected to increase sharply, meaning fewer working-age individuals will support a growing elderly population. This demographic shift is expected to place sustained pressure on public finances, particularly in relation to pensions, healthcare, and long-term care systems.

Population trends are expected to vary across Member States. While several countries – particularly in Eastern and Southern Europe – are projected to experience population declines, others, including Malta, Luxembourg, Sweden, and Ireland, are expected to record population growth, especially in the earlier part of the projection period, largely driven by migration.

Overall, these developments highlight a key divergence between Malta and broader EU trends. While Malta faces similar structural challenges related to ageing and low fertility, continued reliance on migration is expected to remain a central factor sustaining population growth and labour supply, mitigating some of the more severe demographic pressures observed elsewhere in the EU.

3.5. Residential Property⁶

Residential Property Transactions – July 2026

In July 2026, residential property market activity remained resilient despite a modest decline in transaction volumes. A total of 1,207 final deeds of sale were registered, representing a 5.1% decrease compared to July 2025. Nevertheless, the total value of final deeds increased by 3.6% to €417.6 million, indicating an increase in average transaction values.

Households remained the primary driver of market activity, with 1,081 final deeds (89.6%) involving individual buyers. These transactions accounted for €320.2 million, equivalent to 76.7% of the total value of final deeds registered during the month. In terms of geographic distribution, the highest number of final deeds of sale was recorded in San Pawl il-Baħar (89), followed by Marsaskala (60) and Il-Mosta (54).

A total of 1,333 properties were transacted through final deeds of sale during the month. Apartments (35.3%) and garages (24.8%) continued to account for the largest shares of properties sold.

³ NSO Malta | World Population Day: 11 July 2025 – NSO Malta

⁴ Malta's median age is decreasing, bucking EU trend (2025)

⁵ 2024 Ageing Report. Economic and budgetary projections for the EU Member States (2022–2070)

⁶ NSO Malta | Residential Property Transactions: July 2026 (release August 2026)

Promise of Sale Agreements

The number of promise of sale agreements registered in July 2026 amounted to 1,147, representing a 6.5% decline compared to the corresponding month in 2025. Despite the lower volume of agreements, their aggregate value increased by 9.7% to €483.3 million, suggesting continued strength in property values and demand for higher-value residential assets.

Individual prospective buyers accounted for 1,007 agreements (87.8%), while the remaining agreements primarily involved companies.

At the locality level, the highest numbers of promise of sale agreements were recorded in San Pawl il-Baħar (115), Birkirkara (77) and Il-Mosta (53).

Overall, while both final deeds of sale and promise of sale agreements registered lower volumes when compared to July 2025, the increase in their aggregate values indicates that property prices and transaction values remain on an upward trajectory, supporting the continued resilience of the residential property market.

3.6. Commercial Property⁷

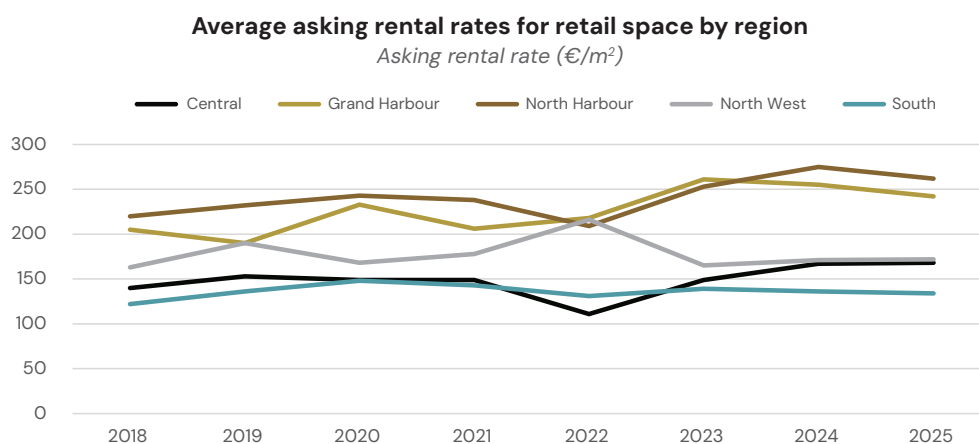
KPMG's latest Construction Industry and Property Market Report 2025 reported that the majority of commercial property on the market is available on a rental basis rather than being offered for sale. In 2025, the average asking rental rates for office space was €221/m² in 2025, slightly down from €234/m² in 2024, while average asking rental rates for retail properties stood at €280/m², down from €294/m² in 2024.



Office Space

KPMG noted that rental data for office space was consistent with the generally sluggish commercial environment highlighted by market participants during stakeholder consultations. Feedback suggested that market activity remained subdued, characterised by weak demand and limited transactional momentum, while also noting that advertised asking rents may not fully reflect the extent of negotiation that takes place in actual transactions, which given these market conditions may be expected to be substantial.

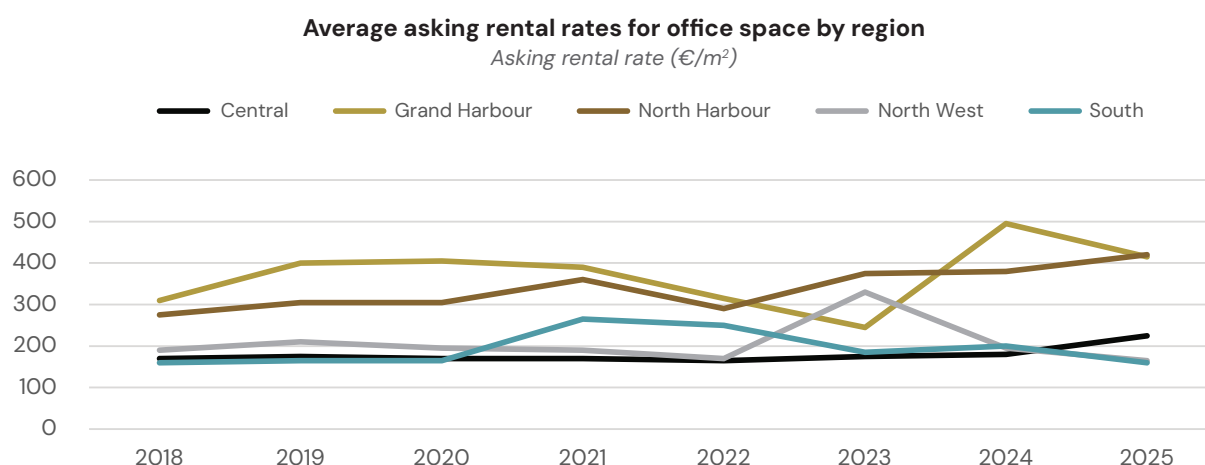
At regional level, office rental rates continued to vary materially. KPMG reported that the Central region recorded modest growth, reaching €168/m² (2024: €167), while the North Harbour region remained the highest-priced office location at €263/m², while the Southern region remains the most affordable, with an average rate of €134/m². Data for the Grand Harbour, North Harbour, and Southern regions resulted in declines in office rental rates of 5.7%, 4.2%, and 1.5%, respectively. Gozo has been excluded from this analysis due to an insufficient sample size to produce statistically meaningful results.



⁷ KPMG – Construction Industry and Property Market Report 2025

Retail Properties

Regarding retail properties for rent, the most pronounced increase in average rental rates was recorded in the North Harbour region, where average asking prices for retail space rose by 10.9% in 2025, reaching €422/m². This development positions the North Harbour as the most expensive retail location. The Grand Harbour region ranks second, with an average rate of €414/m², despite experiencing a decline of 16.1% compared to 2024. The North West and Southern regions remain the least expensive areas for retail space, at €164/m² and €161/m² respectively, both registering modest growth over the prior year. The declines observed across several regions are likely attributable to sample limitations within the previous year's dataset. As with earlier analyses, Gozo has been excluded due to an insufficient sample size to derive meaningful insights.



KPMG's analysis of property locations within its 2025 database indicates that the Northern Harbour region accounts for the highest proportion of office properties, representing 51.1% of all listings, followed by the Central region at 30.2%. In the case of retail properties, the North Harbour and Central regions similarly dominate the market, comprising 29.7% and 32.4% of total listings, respectively.

3.7. Tourism Update⁸

Inbound Tourism – June 2026

Inbound tourism continued to perform strongly in June 2026, with total inbound tourists estimated at 458,223, representing an 18.5% increase compared to June 2025. The majority of visitors travelled for leisure purposes, with 427,333 tourists visiting Malta for holiday purposes, while 22,148 tourists travelled for business purposes. The largest share of inbound tourists consisted of persons aged between 25 and 44 years (37.2%), followed by those aged 45 to 64 years (28.9%). British, Italian and Polish residents collectively accounted for 45.6% of total inbound tourists.

Tourism activity remained robust, with total nights spent increasing by 3.9% year-on-year to 2.6 million nights. The largest share of guest nights (89.2%) was spent in rented accommodation establishments. The average length of stay stood at 5.6 nights.

Tourism expenditure continued to expand, with total expenditure reaching €456.0 million, representing an increase of 15.2% compared to June 2025. Average expenditure per night was estimated at €176.80. Additionally, 277,985 tourists visited Gozo and Comino, including both same-day and overnight visitors, accounting for 60.7% of total inbound tourists.

January–June 2026 Overview

Inbound tourism maintained its positive momentum during the first six months of 2026. Total inbound tourists reached 2,131,825, representing an 18.1% increase compared to the corresponding period in 2025.

Total nights spent increased by 10.1% to 11.8 million nights, reflecting continued growth in tourism activity. Tourist expenditure amounted to €1.80 billion, up 14.8% year-on-year. However, expenditure per capita declined slightly to €842 from €866 in the corresponding period of 2025, indicating a modest reduction in average spending per visitor.

Gozo and Comino continued to benefit from strong visitor demand, attracting 1,123,572 tourists during the period, equivalent to 52.7% of total inbound tourists, including both same-day and overnight visitors.

⁸ NSO Malta | Inbound Tourism: June 2026 (release July 2026)

3.8. Comparative Analysis

The purpose of the table below is to compare the debt issuance of the Issuer to other debt instruments. We have included different securities with a similar maturity as the debt securities of the Issuer. One must note that, given the material differences in profiles and industries, the risks associated with the Issuer's business and that of other issuers are therefore different:

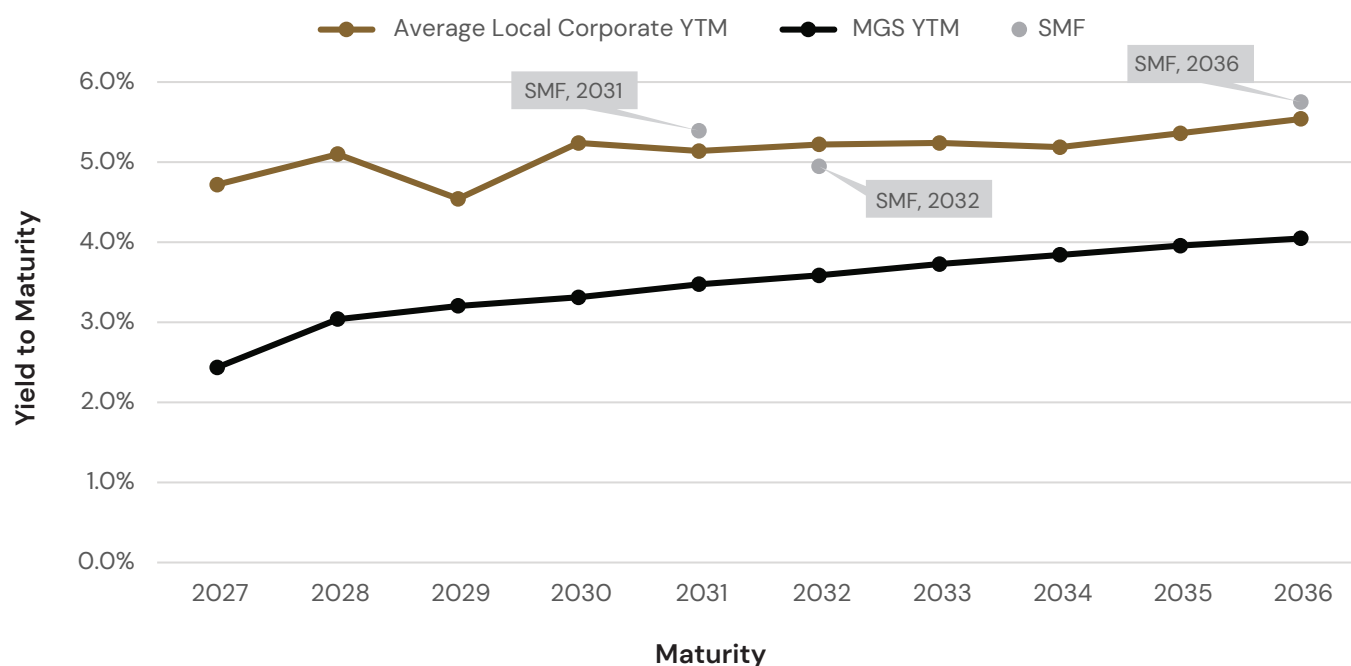
Security	Nom Value	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Net Debt and Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
5.10% Plan Group plc Secured Bonds 2028 - 2030	28,200	4.96%	7.3x	126.4	45.5	64.0%	55.4%	7.4x	5.4x	9.3%	16.0%	105.8%
4.65% Smartcare Finance plc Secured € 2031	13,000	5.39%	2.7x	576	18.2	68.4%	56.8%	9.0x	2.1x	16.5%	19.0%	121.9%
5.35% Best Deal Properties Holding plc Unsecured € 2032	7,000	4.98%	1.3x	44.0	7.4	83.2%	80.9%	13.1x	7.9x	19.2%	8.0%	26.8%
4.65% Smartcare Finance plc Secured € 2032	7,500	4.95%	2.7x	576	18.2	68.4%	56.8%	9.0x	2.1x	16.5%	19.0%	121.9%
4.85% JD Capital plc Secured € 2032 SI T1	14,000	4.85%	1.1x	162.9	38.6	76.3%	69.3%	17.2x	2.4x	3.6%	6.3%	34.9%
5% CF Estates Finance plc Secured € 2028-2033	30,000	5.18%	6.6x	94.9	19.1	79.9%	70.9%	3.3x	2.0x	49.6%	23.5%	-1.8%
5.25% Bonnici Bros Properties plc Unsecured € 2033 SI T1	12,000	5.11%	2.3x	418	18.2	56.4%	43.1%	9.5x	0.3x	1.4%	15.5%	17.4%
6% JD Capital plc Secured 2033 S2 T1	11,000	5.64%	1.1x	162.9	38.6	76.3%	69.3%	17.2x	2.4x	3.6%	6.3%	34.9%
5.75% Phoenicia Finance Company plc Unsec 2028-2033	50,000	5.49%	2.5x	169.9	86.0	49.4%	42.7%	7.0x	1.2x	3.8%	12.4%	10.7%
5.2% VBL plc Secured € 2030-2034	10,000	5.31%	16.6x	96.5	69.1	28.3%	22.3%	6.3x	3.5x	2.3%	33.5%	15.4%
5.2% TUM Finance plc Secured Callable € 2031 - 2034	12,000	4.90%	6.4x	183.9	65.2	64.5%	49.2%	7.0x	8.2x	19.5%	519.7%	31.1%
5.6% JD Capital plc Secured € 2035 (xd)	40,000	5.45%	1.1x	162.9	38.6	76.3%	69.3%	17.2x	2.4x	3.6%	6.3%	34.9%
5.5% Juel Group plc € Secured 2035	32,000	5.28%	2.7x	90.1	35.6	60.5%	51.8%	5.9x	1.4x	13.5%	20.0%	263.3%
5.70% Central Business Centre plc € Unsec 2030-2035 SI T1	13,250	5.84%	1.7x	86.3	28.3	67.2%	60.8%	19.4x	0.5x	3.4%	37.4%	8.9%
5.8% Agora Estates plc Secured € 2036 SI T1	12,000	5.69%	1.8x	79.8	33.6	57.9%	44.4%	12.1x	1.4x	18.1%	155.0%	190.4%
5.5% Agora Estates plc Secured 2036 SI T2	9,000	5.32%	1.8x	79.8	33.6	57.9%	44.4%	12.1x	1.4x	18.1%	155.0%	190.4%
5.75% Smartcare Finance plc Secured € 2036	11,000	5.75%	2.7x	576	18.2	68.4%	56.8%	9.0x	2.1x	16.5%	19.0%	121.9%
Average*		5.27%										

Average*

Source: Latest available audited financial statements

*Average figures do not capture the financial analysis of the Issuer
Last price as at 02/09/2026

Yield Curve Analysis



Source: Central bank of Malta and Malta Stock Exchange (MSE)

The graph above compares the yields to maturity of listed local corporate bonds and Malta Government Stocks ("MGSs"), plotted against their respective maturities. By comparing corporate bond yields with the corresponding MGS yield curve, the graph highlights the credit spread demanded by investors for assuming corporate credit risk. It also includes the yields of Smartcare Finance p.l.c.'s existing bond issues on a stand-alone basis.

As at 2 September 2026, the average spread over the equivalent MGS for corporate bonds with maturities in the 5-year range was approximately 166 basis points. The 4.65% Smartcare Finance p.l.c. Bonds 2031 were trading at a yield to maturity ("YTM") of 5.39%, representing a spread of 192 basis points over the corresponding MGS and therefore a premium of 25 basis points over the average market spread.

Similarly, the average spread over the equivalent MGS for corporate bonds with maturities in the 6-year range was approximately 163 basis points. The 4.65% Smartcare Finance p.l.c. Bonds 2032 were trading at a YTM of 4.95%, equivalent to a spread of 136 basis points over the corresponding MGS and a discount of 27 basis points relative to the average market spread.

The proposed 5.75% Smartcare Finance p.l.c. Bonds 2036 are expected to be issued at a spread of approximately 170 basis points over the equivalent MGS. This represents a premium of 21 basis points when compared to the average spread of the comparable issuers identified in Section 3.8, indicating that the proposed bonds are being offered at a yield above the prevailing market average for comparable local corporate debt securities.

PART 4 • GLOSSARY AND DEFINITIONS

Income Statement

Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
EBIT (Operating Profit)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.
Profit After Taxation	The profit made by the Group/Company during the financial year net of any income taxes incurred.

Profitability Ratios

Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
Gross Profit Margin	Gross profit as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).

Cash Flow Statement

Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

Balance Sheet

Total Assets	What the Group/Company owns which can be further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Inventory	Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.
Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can be further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Current Liabilities	Obligations which are due within one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.

Financial Strength Ratios

Current Ratio	The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.
Quick Ratio (Acid Test Ratio)	The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.
Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBITDA of one period by cash interest paid of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.

Other Definitions

Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.
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