JD Capital plc

JD CAPITAL P.L.C.

11 April 2025

SUMMARY

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Dated 11 April 2025

This document is a Summary issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the Malta Financial Services Authority and in accordance with the provisions of the Prospectus Regulation.

In respect of an issue of
up to €40,000,000 5.6% secured bonds 2035 (ISIN: MT0001831248)
of a nominal value of €100 per bond, issued and redeemable at par by

JD Capital plc

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA
WITH COMPANY REGISTRATION NUMBER C 82098

THIS SUMMARY HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY, AS COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY ONLY APPROVED THIS SUMMARY AS MEETING THE STARDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER AND THE SECURITIES THAT ARE THE SUBJECT OF THIS SUMMARY.

THIS SUMMARY IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE THEREOF. THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THIS SUMMARY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES WHICH ARISE FOLLOWING THE LAPSE OF THE PERIOD OF VALIDITY OF THIS SUMMARY, PROVIDED THAT THE ISSUER SHALL NOT BE OBLIGED TO SUPPLEMENT THIS SUMMARY SHOULD THE AFORESAID SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES, OR MATERIAL INACCURACIES ARISE OR ARE NOTED FOLLOWING THE LATER OF THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON THE OFFICIAL LIST BEGINS.

SPONSOR & CO-MANAGER	LEGAL COUNSEL	SECURITY TRUSTEE	REGISTRAR & CO-MANAGER	REPORTING ACCOUNTANTS
Calamatta Cuschieri	CAMILLERI PREZIOSI ADVOCATES		BOV Bank of Valletta	RSM

Approved by the Directors

Josef Dimech

in his capacity as Director of the Issuer and on behalf of
Franco Azzopardi, Stanley Portelli, Stephen Muscat, and Jesmond Manicaro.

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

1. INTRODUCTION AND WARNINGS

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

Full legal and commercial name of the Issuer	JD Capital p.l.c.
Registered address	HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta
Registration number	C 82098
Legal Entity Identification (LEI) Number	391200C8XW0F6K1ROJ82
Date of Registration	9 August 2017
Telephone number	+356 21653689
Email	info@jsdgroup.mt
Website	https://www.jsdgroup.mt/investor-relations/
Nature of the securities	Secured bonds of an aggregate principal amount of up to €40,000,000, of a nominal value of €100 per bond, issued at par and redeemable at their nominal value on the Redemption Date, and bearing interest at the rate of 5.6% per annum
ISIN of the Secured Bonds	MT0001831248
Competent authority approving the Prospectus	The Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta)
Address, telephone number and official website of the competent authority approving the Prospectus	Address: Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business, District, Birkirkara, CBD 1010, Malta **Telephone number:** +356 21 441 155 **Official website:** www.mfsa.mt
Prospectus approval date	11 April 2025

Prospective investors are hereby warned that:

i. this Summary should be read as an introduction to the Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the Secured Bonds being offered pursuant to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this document;

ii. any decision of the investor to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;

iii. an investor may lose all or part of the capital invested in subscribing for Secured Bonds;

iv. where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and

v. civil liability attaches only to those persons who have tabled the Summary, including any translation thereof, but only if the Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate, or inconsistent or does not provide key information in order to aid investors when considering whether to invest in the Secured Bonds.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the Issuer of the securities?

2.1.1 DOMICILE AND LEGAL FORM, ITS LEI AND COUNTRY OF INCORPORATION

The Issuer is JD Capital p.l.c., a public limited liability company registered in Malta in terms of the Companies Act. The legal entity identifier (LEI) number of the Issuer is 391200C8XW0F6K1ROJ82.

2.1.2 PRINCIPAL ACTIVITIES OF THE ISSUER

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

2.1.3 MAJOR SHAREHOLDERS OF THE ISSUER

Mr Josef Dimech is the sole ultimate beneficial owner of the Issuer, ultimately holding *circa* 99.996 % of the ownership interests of the Issuer: (i) directly as the registered holder of 0.0003% of the issued share capital of the Issuer; and (ii) indirectly as the registered holder of 99.99353% of the issued share capital of JD Holdings Limited, the immediate parent company and majority registered shareholder of the Issuer.

2.1.4 BOARD OF DIRECTORS OF THE ISSUER

The Board of Directors of the Issuer is composed of the following persons: (a) Josef Dimech (Executive Director); (b) Franco Azzopardi (Executive Director); (c) Stanley Portelli (non-Executive and Independent Director); (d) Stephen Muscat (Chairman and non-Executive and Independent Director); and (e) Jesmond Manicaro (non-Executive and Independent Director).

2.1.5 STATUTORY AUDITORS

The auditors of the Issuer as of the date of this Summary and for the financial years ended 2021, 2022 and 2023 are RSM Malta of Mdina Road, Zebbug ZBG 9015, Malta. The Accountancy Board registration number of RSM Malta is AB/26/84/53.

2.2 What is the key financial information regarding the Issuer?

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

Income Statement	FY2021	FY2022	FY2023	Jun-23	Jun-24
Revenue (€'000)	16,268	11,832	12,965	5,242	8,007
Earnings before interest, taxes, depreciation and amortisation (€'000)	2,018	1,154	2,049	1,091	1,687
Operating profit (€'000)	1,155	1,157	1,361	743	1,377

Statement of Financial Position	FY2021	FY2022	FY2023	Jun-24
Net financial debt (€'000)	14,675	23,195	34,966	39,942

Cash Flow Statement	FY2021	FY2022	FY2023	Jun-23	Jun-24
Cash flows generated from / (used in) operating activities (€'000)	(1,728)	(7,492)	(3,212)	404	5,974
Cash flows generated from / (used in) investing activities (€'000)	1,542	(186)	(5,540)	(301)	(9,658)
Cash flows generated from / (used in) financing activities (€'000)	36	8,700	8,187	(754)	3,740

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

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

2.3.1 RISKS RELATING TO THE ISSUER'S ROLE AS THE HOLDING AND FINANCING COMPANY OF THE GROUP

The Issuer does not carry out any trading activities of its own and its sole purpose is to raise funds in the capital markets for the purpose of on-lending to companies forming part of the JD Capital Group. As a result, the only cash-generating activities of the Issuer are the receipt of interest income on funds advanced to Group companies and dividends received from its Subsidiaries, if any, from time to time. Accordingly, the Issuer is economically dependent on the operational results, the financial position and performance of the Group companies to which it provides financing and its Subsidiaries. The underperformance of any of these companies may have an adverse effect on the performance of the Issuer which, in turn, may affect its ability to service payments under the Secured Bonds. The key risks associated with the Group, on which the Issuer is dependant as aforesaid, are contained in the Registration Document and prospective investors are strongly advised to carefully consider all such risk factors with their own financial and other professional advisors.

Key economic and financial risks

2.3.2 RISKS RELATING TO THE GROUP'S FINANCING AND INVESTMENT STRATEGIES AND HISTORICAL GEARING LEVEL

The Group may not be able to obtain the financing it requires for the continued operation of its business, completion of major projects, and investments, on commercially reasonable terms, or at all. Failure to obtain, or delays in obtaining, the financing required, including increases in borrowing costs or decreases in debt capacity or funding availability, may limit the Group's growth, and adversely affect its business, financial condition, results of operations and its prospects. The Group further has a number of bank credit facilities and loan facilities outstanding as at the date of the Prospectus and the Group's capital structure is, and is expected to remain, relatively highly geared, thereby absorbing a significant portion of cash flows generated by the Group's operations. In addition, as at the date of this Summary, the Group has pending tax liabilities and social security contributions which are in the process of being settled in terms of a payment schedule entered into with the Maltese Commissioner for Tax and Customs. Adverse movements in the Group's actual or projected cash flows will reduce the actual or projected level of debt service cover and the ability of the Issuer to fulfil its obligations under its listed securities, including the Secured Bonds, as well as the ability of the Group to fulfil its obligations under any financial indebtedness outstanding from time to time In the past, the Group has indeed encountered instances in which the fulfilment of certain repayment obligations due to banks was delayed. As at the date of this Registration Document, a number of projects, in particular real estate development projects, are ongoing and therefore are not presently generating revenue, thus resulting in limited cash reserves until such projects are finalised. Furthermore, the Group is subject to various covenants and restrictive undertakings stipulated by the terms and conditions of its third-party financing arrangements, which could limit the Group's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally, or otherwise inhibit the ability to conduct necessary operational activities. If the Group were to default on its obligations under its third-party financing arrangements, it may be liable to default interest and, or contractual penalties and third-party financiers may exercise or seek measures to enforce any security interests constituted in their favour. If the circumstances indicated above were to manifest themselves, the Group's financial position, operational results and its business and trading prospects may be materially adversely affected, and the ability of the Company to satisfy its obligations towards holders of debt or other securities, including its obligations towards the Bondholders under the Secured Bonds, may be materially adversely affected.

2.3.3 DEPENDENCE ON THE MALTESE MARKET AND EXPOSURE TO ECONOMIC CONDITIONS

The Group's business activities are concentrated in, and aimed at, the Maltese market. Accordingly, the Group is highly susceptible to the economic trends that may from time to time be felt in Malta, including fluctuations in consumer demand, financial market volatility, inflation, the property market, interest rates, exchange rates, direct and indirect taxation, wage rates, utility costs, government spending and budget priorities and other general market, economic, and social factors. Negative economic factors and trends in Malta, particularly those having an effect on consumer demand, would have a negative impact on the business of the Group.

Key business and operational risks

2.3.4 RISKS RELATING TO THE TEMPORARY TITLE OVER THE HAL FAR INDUSTRIAL FACILITY

The Hal Far Site and Hal Far Industrial Facility are held by JD Operations under title of a 65-year temporary emphyteusis granted unto JD Operations by INDIS, effective as from 6 March 2018. Failure to abide with the terms and conditions to which the emphyteutical grant is subject may have an adverse material effect on the operations of the Group, its financial performance and financial conditions resulting from the imposition of contractual penalties or the enforcement of an event of default under the emphyteutical deed, the occurrence of which may entitle INDIS to terminate the temporary emphyteusis. The inability of the Group to carry out its operations at the Hal Far Industrial Facility at any time due to failure to adhere with the terms and conditions of the emphyteutical grant could have a material adverse effect on the results of the operations of the Group, and its financial performance and condition.

2.3.5 RISKS RELATING TO THE GROUP'S EXPOSURE TO CLAIMS AND LITIGATION INHERENT IN THE GROUP'S OPERATIONS

All industries which the Group operates or has plans to operate in are subject to legal claims, with or without merit. The risk of future claims being made by third parties in the future cannot be excluded. Due to the inherent uncertainty of litigation and dispute resolution processes, there can be no assurance that the resolution of any legal proceeding or dispute will not have a material adverse effect on the Group's future cash flow, results of operations or financial condition. All litigation is expensive and time consuming. In addition, the Group's insurance coverage may not be sufficient to cover one or more substantial claims. Exposure to litigation or fines imposed by regulatory authorities may affect the Group's reputation even though the monetary consequences may not be significant.

2.3.6 RISKS RELATING TO INDUSTRIAL ALUMINIUM, STEEL AND GLASS WORKS, DESIGN, MANUFACTURING, SUPPLY, AND PROJECT DELIVERY

Insofar as the manufacturing business is concerned, the Group faces operational risks related to its ability to deliver projects as committed, within project budgeted costs and the stipulated deadlines. Inability to comply with such projected deliverables, contractual arrangements and, or applicable regulatory and legal requirements relating thereto could result in significant liabilities (which may include penalties, fines, and, or pre-liquidated damages) and the forfeiture of any performance guarantees put up by the Group as security for the due performance of its project delivery commitments. Project contractual arrangements may limit the Group's ability to recover cost overruns or other additional expenses incurred in the delivery of a project and may also be susceptible to the right of its customers to reject goods or other supplies, or to request a variation in the agreed project works. The above mentioned risks could consequently adversely impact the Group's relations with its customers, prejudice its goodwill, and, or could result in a material adverse effect on its financial position, financial performance, and operational results.

2.3.7 RISKS RELATING TO PROPERTY DEVELOPMENT AND CONSTRUCTION ACTIVITIES

Insofar as the real estate business is concerned, property development and construction projects are subject to a number of specific risks including, but not limited to, the risk of insufficiency or lack of availability of resources to complete development projects as planned; the risk of cost overruns; the risk of rental or sales transactions not being effected at the prices and within the timeframes envisaged; delays or refusals in obtaining required permits and authorisations; and high levels of activity in the sector may place a strain on the availability of human and other capital resources required to undertake and complete the development projects. These factors could have a material adverse effect on the Issuer's business, financial condition, and results of operations, including by increasing the projected costs and times for completion of ongoing development projects.

2.3.8 RISKS RELATING TO PROPERTY VALUATIONS AND NET REALISABLE VALUE

Notwithstanding the preparation of valuations by independent qualified architects, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. Accordingly, property valuations are largely dependent on current and, or expected market conditions which are susceptible to fluctuation and therefore, there can be no assurance that the property valuations and property-related assets will reflect actual market values.

2.3.9 RISKS RELATING TO MISHANDLING AND DAMAGE TO GOODS IN THE GROUP'S CUSTODY

Insofar as the 3PL business is concerned, the Group will be responsible for the loading, unloading, sorting, and storage of cargo. Throughout this process there is a risk that the goods can be damaged, misplaced, or lost while they are in the custody of the Group. Additionally, the Group may handle goods which may be valuable and of high importance. Such goods may have a higher susceptibility to theft. The Group's insurance policies may not be adequate to compensate for any losses suffered as a result of mishandling of, or misuse of, or total loss of goods, or to compensate for any losses suffered as a result of theft from the Hal Far Industrial Facility, should any theft be found to be attributable to gross negligence on the part of JD Operations, its employees, or persons otherwise providing service to the Group. Any incident of theft, damage or total loss or wastage or other associated losses that may occur could result in financial and reputational damage to the Group. This could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

3. KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

The Secured Bonds are being issued in an aggregate amount of up to €40,000,000 with a nominal value of €100 per Secured Bond issued and redeemable at par on the Redemption Date. The Secured Bonds bear interest at the rate of 5.6% per annum on the nominal value of the Secured Bonds. The Secured Bonds shall be issued in fully registered and dematerialised form and shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Secured Bonds shall have the following ISIN: MT0001831248. The Secured Bonds shall be freely transferable.

The Secured Bonds constitute the general, direct, unconditional, and secured obligations of the Issuer and shall at all times rank *pari passu* without any priority or preference among themselves. The Secured Bonds are secured by the Collateral. There are no special rights attached to the Secured Bonds other than the right of the Bondholders to: (i) attend, participate in, and vote at, Bondholders' Meetings in accordance with the terms and conditions of the Secured Bonds; (ii) the payment of capital and interest in accordance with the ranking of the Secured Bonds; (iii) the benefit of security interests through the Security Trustee; and (iv) such other rights attached to the Secured Bonds.

3.2 Where will the securities be traded?

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

3.3 What are the key risks that are specific to the securities?

3.3.1 SUITABILITY OF THE SECURED BONDS

An investment in the Secured Bonds may not be suitable for all recipients of the Prospectus and prospective investors are urged to read and fully understand the Prospectus, and to consult an investment advisor before making an investment decision, with a view to ascertaining that an investment in the Secured Bonds is suitable for the investor's risk profile.

3.3.2 NO PRIOR MARKET FOR THE SECURED BONDS

Prior to the Bond Issue, there has been no public market, nor trading record, for the Secured Bonds within or outside Malta. Due to the absence of any prior market for the Secured Bonds, there can be no assurance that the price of the Secured Bonds will correspond to the price at which the Secured Bonds will trade in the market subsequent to the Bond Issue.

3.3.3 ORDERLY AND LIQUID SECONDARY MARKET

The existence of an orderly and liquid market for the Secured Bonds depends on a number of factors, including but not limited to the presence of willing buyers and sellers of the Secured Bonds at any given time and the general economic conditions in the market in which the Secured Bonds are traded. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control.

3.3.4 SUBSEQUENT CHANGES IN INTEREST RATE AND POTENTIAL IMPACT OF INFLATION

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

3.3.5 ENFORCEMENT OF THE COLLATERAL

There can be no assurance that the Collateral will be sufficient to cover the Company's payment obligations under the Secured Bonds in case of an Event of Default. A portion of the Collateral is composed of the Secured Property. There is no guarantee that, in the case of an Event of Default, the Bondholders would recover the Bondholders will recover the value of the Secured Property afforded to them by the independent expert in the valuation reports. This may be caused by a number of factors, including but not limited to general economic factors that could have an adverse impact on the value of the Secured Property.

If such circumstances where to arise or subsist at the time that the Collateral is enforced by the Security Trustee, it could have a material adverse effect on the value of the Secured Property and the recoverability of the value afforded to them in the valuation reports.Furthermore, parts of the Secured Property may in future be sold to third parties, resulting in the corresponding Collateral being reduced. Although the Securities Note provides for a process for the variation of the Collateral, there can be no guarantee that, in the case of sale of parts of the properties as aforesaid, the alternative properties secured by the Issuer for the purpose of replenishing the Collateral shall not be negatively impacted by the aforesaid risks.

3.3.6 RANKING OF THE COLLATERAL

The hypothecs forming part of the Collateral shall rank after the claims of privileged creditors should a note of inscription of a special privilege be registered with the Registry in Malta securing the privileged creditor's claim. The ranking of collateral has a bearing on the success of a creditor to get paid should the Issuer not have sufficient assets to pay all its creditors. The Security Trustee will be paid out of the assets of the Issuer after privileged creditors and those creditors which are given priority over the relevant Collateral by law. Accordingly, in the case of a competition of creditors, Bondholders may not recover their investment in the Secured Bonds, whether in full or in part.

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

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

4.1.1 PLAN OF DISTRIBUTION, ALLOTMENT AND ALLOCATION POLICY

The Secured Bonds shall be: (i) made available for subscription to all categories of investors; and (ii) allocated, as follows:

i. an amount of up to €5,000,000 in nominal value of Secured Bonds shall be made available for subscription by the Maturing Noteholder; and

ii. an amount of up to €35,000,000 million in nominal value of Secured Bonds together with any balance of Secured Bonds not taken up in terms of (i) above, shall be made available for subscription by Authorised Financial Intermediaries entering into conditional subscription agreements with the Issuer pursuant to the Intermediaries' Offer, who may subscribe for Secured Bonds in their own name or in the name of their underlying clients. The Issuer, acting through the Registrar & Co-Manager, shall determine the allocation of Secured Bonds applicable to each subscription agreement received from Authorised Financial Intermediaries by not later than 12 May 2025.

The issue and allotment of the Secured Bonds is conditional upon: (i) the minimum subscription amount of €30,000,000 of Secured Bonds is achieved; and (ii) the Secured Bonds being admitted to the Official List by no later than 23 May 2025. Subscriptions shall be made through Authorised Financial Intermediaries subject to a minimum subscription amount of €5,000 in nominal value of the Secured Bonds and in multiples of €100 thereafter.

By not later than 16 May 2025 the Issuer shall announce the result of the Bond Issue through a company announcement. Dealings in the Secured Bonds shall not commence prior to the Secured Bonds being admitted to the Official List.

4.1.2 TOTAL ESTIMATED EXPENSES

Professional fees, and costs related to publicity, advertising, printing, listing, registration, sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €800,000. There is no particular order of priority with respect to such expenses.

4.1.3 EXPECTED TIMETABLE

1.	Offer Period for the Maturing Noteholder and Authorised Financial Intermediaries pursuant to the Intermediaries' Offer	**21 April 2025 to 9 May 2025**
2.	Announcement of basis of acceptance	**16 May 2025**
3.	Dispatch of allotment letters	**23 May 2025**
4.	Commencement of interest	**23 May 2025**
5.	Expected date of early redemption of the Maturing Note	**23 May 2025**
6.	Expected date of admission of the Secured Bonds to listing	**23 May 2025**
7.	Expected date of commencement of trading in the Secured Bonds	**26 May 2025**
8.	Expected date of constitution of the Collateral	**10 June 2025**

The Issuer reserves the right to close the Offer Period referred to in (1) above before 9 May 2025 in the event that the total value of Applications received from the Maturing Noteholder, together with amount subscribed for by Authorised Financial Intermediaries pursuant to the Intermediaries' Offer, exceeds €40,000,000, in which case some of the events set out above may be brought forward. If this occurs, the Issuer will issue a company announcement to inform the market accordingly.

4.2. Why is this prospectus being produced?

4.2.1 THE USE AND ESTIMATED NET AMOUNT OF THE PROCEEDS

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €39,200,000, shall be used as follows:

i. up to €5,000,000 shall be used to acquire the Maturing Note from the Maturing Noteholder pursuant to the Maturing Note Transfer for redemption and cancellation;

ii. up to €8,500,000 shall be on-lent to ONEA Properties for the purpose of refinancing of the outstanding principal and interest due in terms of the FIMBank Facility;

iii. up to €3,456,000 shall be on-lent to Skorba Developments for it to finance the recission of the promise of sale of 10 apartments and four penthouses forming part of Skorba Mansions entered into with a third party company, for which payment had been received upon execution of a promise of sale agreement, plus interest accruing in favour of the said third party until the expected date of recission;

iv. up to €2,535,000 shall be on-lent to JD Real Estate Development for the acquisition of Villa Delfini;

v. up to €7,000,000 shall be on-lent to JD Operations for it to finance the purchase of 3PL equipment and infrastructure; and

vi. the remaining amount of *circa* €12,709,000 will be used by the Issuer for general corporate funding purposes of the Group.

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

JD Capital plc

JD CAPITAL P.L.C.

11 April 2025

REGISTRATION DOCUMENT

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Dated 11 April 2025

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by

JD Capital plc

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA
WITH COMPANY REGISTRATION NUMBER C 82098

THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MFSA, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THIS MEANS THAT THE MFSA HAS APPROVED THIS REGISTRATION DOCUMENT AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY, AND CONSISTENCY AS PRESCRIBED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT, HOWEVER, BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER, WHOSE SECURED BONDS ARE THE SUBJECT OF THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MFSA DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN SECURITIES OF THE COMPANY, INCLUDING THE SECURED BONDS, AND SUCH AUTHORISATION SHOULD NOT BE DEEMED, OR BE CONSTRUED, AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SECURITIES OF THE COMPANY.

THE MFSA ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER, FOR ANY LOSS HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN ANY SECURITIES ISSUED BY THE COMPANY.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN THE SECURED BONDS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF THE COMPANY AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OWN FINANCIAL ADVISOR.

SPONSOR & CO-MANAGER	LEGAL COUNSEL	SECURITY TRUSTEE	REGISTRAR & CO-MANAGER	REPORTING ACCOUNTANTS
Calamatta Cuschieri	CAMILLERI PREZIOSI ADVOCATES		BOV Bank of Valletta	RSM

Approved by the Directors

Josef Dimech

In his capacity as Director of the Issuer and on behalf of
Franco Azzopardi, Stanley Portelli, Stephen Muscat, and Jesmond Manicaro.

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON THE ISSUER AND THE BUSINESS OF THE GROUP OF WHICH IT FORMS PART IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES OF THE MFSA, THE ACT, AND THE PROSPECTUS REGULATION.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, OR ITS DIRECTORS, TO ISSUE ANY ADVERTISEMENT, OR TO GIVE ANY INFORMATION, OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE SECURED BONDS OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT 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, ITS DIRECTORS, OR ADVISORS.

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

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

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

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE COMPANY THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE PROSPECTUS OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, NO SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THE PROSPECTUS, NOR ANY ADVERTISMENT 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 PROSPECTUS OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

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

THIS REGISTRATION DOCUMENT IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. THE COMPANY IS NOT OBLIGED TO PUBLISH A SUPPLEMENT TO THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES WHICH ARISE FOLLOWING THE LAPSE OF THE PERIOD OF VALIDITY OF THIS REGISTRATION DOCUMENT, PROVIDED THAT THE ISSUER SHALL NOT BE OBLIGED TO SUPPLEMENT THIS REGISTRATION DOCUMENT SHOULD THE AFORESAID SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES, OR MATERIAL INACCURACIES ARISE OR ARE NOTED FOLLOWING THE LATER OF THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON THE OFFICIAL LIST BEGINS.

A COPY OF THIS REGISTRATION DOCUMENT HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE CAPITAL MARKETS RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES AT THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE ACT.

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

ALL THE ADVISORS TO THE ISSUER NAMED IN THIS REGISTRATION DOCUMENT UNDER THE HEADING “ADVISORS” IN SECTION 4.2 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS, OR ANY SUPPLEMENT THEREOF.

THE CONTENTS OF THE COMPANY’S WEBSITE, OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE COMPANY’S WEBSITE, DO NOT FORM PART OF THE PROSPECTUS UNLESS SUCH CONTENTS ARE INCORPORATED BY REFERENCE INTO THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE SECURED BONDS.

THE DIRECTORS CONFIRM THAT WHERE INFORMATION INCLUDED IN THE PROSPECTUS HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED AND AS FAR AS THE DIRECTORS COMPANY ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

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

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1. DEFINITIONS

In this Registration Document, the following capitalised words and expressions shall bear the following meanings, except where the context otherwise requires:

3PL	third party logistics, specifically the outsourcing of logistics services encompassing the management of one or more facets of procurement and fulfilment activities, including but not limited to the storing or transportation of goods;
Act	the Companies Act (Cap. 386 of the laws of Malta);
Bank Guarantee	the bank guarantee procured by the Issuer from a reputable credit institution to be in an amount representing the difference between €50,000,000 and the aggregate value of: (a) the Retained 3PL Proceeds (if any), (b) as from financial year ending 2030, the Reserve Account, and (c) the Secured Property, securing the punctual performance of the Issuer's obligations under the Secured Bonds, as may be varied in terms of section 5.2.4 of the Securities Note and the Security Trust Deed;
Birkirkara Office Complex	has the meaning assigned to it in section 6.2.4 of this Registration Document;
Birkirkara Site	a portion of land known as 'Ta' Lannara' situated in Triq Dun Karm (Birkirkara Bypass), Birkirkara, corner with Triq Kanonku Karm Pirotta, Birkirkara, measuring *circa* 1,437m², together with a portion of adjacent land measuring 504m² situated at Triq Toni Wizzini, Birkirkara, and abutting unto Triq Dun Karm (Birkirkara Bypass), Birkirkara;
Bondholder/s	a holder of Secured Bonds;
Business Promotion Act	the Business Promotion Act (Cap. 325 of the laws of Malta);
Capital Markets Rules	the capital markets rules issued by the MFSA in terms of the Financial Markets Act (Cap. 345 of the laws of Malta) as may be amended from time to time;
Directors or **Board of Directors**	the directors of the Company whose names are set out in section 4.1 of this Registration Document under the heading *"Directors of the Issuer"*;
Euro or **€**	the lawful currency of the Republic of Malta;
Group or **JD Capital Group**	the Issuer and its direct or indirect Subsidiaries;
Hal Far Industrial Facility	the industrial facility situated on the Har Far Site being developed into a total built area of 19,495m² with an additional external area of 4,512m², comprising of: • an industrial manufacturing facility measuring *circa* 8,939m²; • an external industrial storage area of *circa* 2,314m²; • a warehouse area of *circa* 7,124m², having a clear height of 17m; • a storage area of *circa* 1,837m² and having a clear height of 6.5m; • an external storage and circulation area of *circa* 2,198m²; and • an office area of *circa* 1,595m²;
Hal Far Site	the site measuring *circa* 16,245m² at the Hal Far Industrial Estate, Birzebbuga, over which the Hal Far Industrial Facility is situated;

INDIS	INDIS Malta Ltd (formerly Malta Industrial Parks Limited), a private limited liability company registered under the laws of Malta, with company registration number C 28965 and having its registered office at 88, Msida Valley Road, Birkirkara BKR 9020, Malta;
Issuer or the **Company**	JD Capital p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 82098 and having its registered office at HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta;
IVIVIV Holdings	IVIVIV Holdings Limited, a private limited liability company registered under the laws of Malta, with company registration number C 101979 and having its registered office at J&J Group, Blue Harbour, No. 41 Triq ix-Xatt Ta' Ta Xbiex, Ta Xbiex, Malta;
J&J Development	J&J Development Limited, a private limited liability company registered under the laws of Malta, with company registration number C 91498 and having its registered office at J&J Group, Blue Harbour, No. 41 Triq ix-Xatt Ta' Ta Xbiex, Ta Xbiex, Malta;
J&J Hotel Operations	J&J Hotel Operations Limited, a private limited liability company registered under the laws of Malta, with company registration number C 93492 and having its registered office at J&J Group, Blue Harbour, No. 41 Triq ix-Xatt Ta' Ta Xbiex, Ta Xbiex, Malta;
JD Birkirkara	JD Birkirkara Limited, a private limited liability company registered under the laws of Malta, with company registration number C 82135 and having its registered office at HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta;
JD Holdings	JD Holdings Limited, a private limited liability company registered under the laws of Malta, with company registration number C 82095 and having its registered office at HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta;
JD Operations	JD Operations Limited, a private limited liability company registered under the laws of Malta, with company registration number C 82100 and having its registered office at HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta;
JD Real Estate Development	JD Real Estate Development Limited, a private limited liability company registered under the laws of Malta, with company registration number C 106933 and having its registered office at HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta;
JSDimech	JSDimech Limited, a private limited liability company registered under the laws of Malta, with company registration number C 34919 and having its registered office at HHF 303, Industrial Estate, Hal Far, Birzebbuga BBG 3000, Malta;
Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Memorandum and Articles of Association	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus in the form as registered with the Registrar of Companies at the Malta Business Registry. The terms "**Memorandum**", "**Articles**" and "**Articles of Association**" shall be construed accordingly;
MFSA	the Malta Financial Services Authority, appointed as the competent authority to approve prospectuses for the purposes of the Financial Markets Act (Cap. 345 of the laws of Malta);
Msida Hotel	has the meaning assigned to it in section 6.2.6 of this Registration Document;

ONEA Properties	OneA Properties Limited, a private limited liability company registered under the laws of Malta, with company registration number C 85133 and having its registered office at J&J Group, Blue Harbour, No. 41 Triq ix-Xatt Ta' Ta Xbiex, Ta Xbiex, Malta;
Private Placement	the €5,000,000 7.25% secured callable notes 2025-2027 of a nominal value of €1,000 per note issued by the Issuer pursuant to a prospectus dated 12 December 2023;
Property Valuation Reports	collectively: i. the property valuation report in respect of the Hal Far Site dated 14 March 2025 prepared in accordance with Chapter 7 of the Capital Markets Rules by Mr Peter Zammit B.E&A (Hons) A&C.E. Msc(Surrey) MIStructE CEng on behalf of IAS-Innovative Architectural Structures Limited (C 79087); and ii. the property valuation reports in respect of the Skorba Mansions, Ta' Monita Properties, Villa Delfini, and the Msida Hotel dated 10 March 2025 prepared in accordance with Chapter 7 of the Capital Markets Rules by Ms Melanie Spiteri, Architect and Civil Engineer B.E.&.A (Hons);
Prospectus	collectively, this Registration Document, the Securities Note and the Summary;
Prospectus Regulation	Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and in accordance with the provisions of Commission Delegated Regulation No. 2019/979 and Commission Delegated Regulation No. 2019/980 issued thereunder;
Redemption Date	has the meaning assigned to it in the Securities Note;
Registrar & Co-Manager	Bank of Valletta p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 2833 and having its registered office at 58, Zachary Street, Valletta VLT1130, Malta;
Registration Document	this document in its entirety;
Secured Bonds	the €40,000,000 secured bonds of a nominal value of €100 per bond payable in full upon subscription, redeemable at their nominal value on the Redemption Date and bearing interest at the rate of 5.6% per annum, as described in further detail in the Securities Note;
Secured Bond Issuance Programme	the secured bonds issuance programme of up to €25,000,000 secured bonds made by the Issuer pursuant to the base prospectus dated 3 October 2022 and the applicable final terms issued by the Issuer in the form as set out in such base prospectus;
Securities Note	the securities note issued by the Issuer dated 11 April 2025, forming part of the Prospectus;
Security Trust Deed	the security trust deed entered into between the Security Trustee, the Issuer, JD Real Estate Development, J&J Hotel Operations, and Skorba Developments dated 10 April 2025;
Security Trustee	Finco Trust Services Limited, a private limited liability company registered in Malta, with company number C 13078, having its registered office at The Bastions Office No 2, Emvin Cremona Street, Floriana FRN 1281 Malta;

Series 1 Bonds	the €14,000,000 4.85% JD Capital p.l.c. secured bonds 2032 (ISIN: MT0001831214);
Series 2 Bonds	the €11,000,000 6% JD Capital p.l.c. secured bonds 2033 (ISIN: MT0001831222);
Skorba Developments	Skorba Developments Limited, a private limited liability company registered under the laws of Malta, with company registration number C 95344 and having its registered office at J&J Group, Blue Harbour, No. 41 Triq ix-Xatt Ta' Ta Xbiex, Ta Xbiex, Malta;
Skorba Mansions	has the meaning assigned to it in section 6.2.6 of this Registration Document;
Sponsor & Co-Manager	Calamatta Cuschieri Investment Services Limited, a private limited liability company registered in Malta, with company number C 13729, having its registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta, licensed by the MFSA and a member of the MSE;
Subsidiary	an entity over which the Issuer has direct or indirect control, which as at the date of this Registration Document includes: (i) directly, JD Operations, JD Birkirkara, JD Real Estate Development, and ONEA Properties; and (ii) indirectly, J&J Development, J&J Hotel Operations, IVIVIV Holdings, and Skorba Developments. In terms of the International Financial Reporting Standards adopted by the European Union, a group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The term "**Subsidiaries**" shall collectively refer to such entities;
Summary	the summary issued by the Issuer dated 11 April 2025, forming part of the Prospectus;
Ta' Monita Properties	has the meaning assigned to it in section 6.2.6 of this Registration Document; and
Villa Delfini	the fully detached villa with underlying basement and garage and surrounding garden, set on three floors, numbered 51, Triq is-Siegh, St Andrews, Swieqi, limits of Saint Julian's, having a superficial area of *circa* 1,124m^2.

Unless it appears otherwise from the context:

a. words importing the singular shall include the plural and *vice versa*;

b. words importing the masculine gender shall include the feminine gender and *vice versa*;

c. the word "*may*" shall be construed as permissive and the word "*shall*" shall be construed as imperative;

d. all references in the Prospectus to "*Malta*" shall be construed as defined in Article 124(1) of the Constitution of Malta;

e. any phrase introduced by the terms *"including", "include", "in particular"* or any similar expressionism is illustrative only and does not limit the sense of the words preceding those terms; and

f. 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 Registration Document.

2. RISK FACTORS

2.1 General

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE COMPANY. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR, AND THE COMPANY, AND THE DIRECTORS, ARE NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER THE FOLLOWING MAIN CATEGORIES, ACCORDING TO WHETHER THE RISK FACTORS RELATE TO: (I) THE COMPANY PER SE; (II) ECONOMIC AND FINANCIAL RISKS; AND (III) BUSINESS AND OPERATIONAL RISKS.

THE RISK FACTOR FIRST APPEARING UNDER EACH SUB-CATEGORY CONSTITUTES THAT RISK FACTOR WHICH THE DIRECTORS HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH SUB-CATEGORY AS AT THE DATE OF THIS REGISTRATION DOCUMENT. SUBSEQUENT RISK FACTORS IN THE SAME SUB-CATEGORY ARE NOT RANKED IN ORDER OF MATERIALITY OR PROBABILITY OF OCCURRENCE. IN MAKING THEIR ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS OF THE COMPANY, AND, OR THE GROUP, IF THE RISK FACTOR WERE TO MATERIALISE. WHERE A RISK FACTOR MAY BE CATEGORISED IN MORE THAN ONE CATEGORY, SUCH RISK FACTOR ONLY APPEARS ONCE IN THE MOST RELEVANT CATEGORY OR SUB-CATEGORY FOR SUCH RISK FACTOR.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS ADVERSE EFFECT ON THE COMPANY'S AND, OR GROUP'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS, AS WELL AS THE ABILITY OF THE COMPANY TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME, INCLUDING ITS OBLIGATIONS UNDER THE SECURED BONDS. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS AS AT THE DATE OF THIS REGISTRATION DOCUMENT, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE COMPANY AND, OR THE GROUP FACES OR COULD FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE COMPANY'S DIRECTORS ARE NOT CURRENTLY AWARE OF, OR THAT THE DIRECTORS CURRENTLY DEEM IMMATERIAL, INDIVIDUALLY OR CUMULATIVELY, MAY WELL RESULT IN A MATERIAL ADVERSE IMPACT ON THE COMPANY'S AND, OR THE GROUP'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS.

THIS REGISTRATION DOCUMENT, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, AND, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE COMPANY: (I) ARE NOT INTENDED TO PROVIDE THE BASIS FOR ANY CREDIT OR OTHER EVALUATION; (II) ARE NOT AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE COMPANY, THE DIRECTORS, ANY OF THE ADVISORS LISTED IN SECTION 4.2 BELOW OR ANY OF THE AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS REGISTRATION DODUMENT, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE COMPANY, INCLUDING THE SECURED BONDS, AND, THEREFORE, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS REGISTRATION DOCUMENT; AND (III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, *"FORWARD LOOKING STATEMENTS"*.

2.2 Forward-looking Statements

Forward-looking statements can be identified by the use of forward-looking terminology, including the terms *"believes"*, *"estimates"*, *"forecasts"*, *"projects"*, *"anticipates"*, *"expects"*, *"envisages"*, *"intends"*, *"may"*, *"will"*, or *"should"* or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places within this Registration Document and include statements regarding the intentions, beliefs, or current expectations of the Company and, or the Directors concerning, amongst other things, the Company's and, at the Group's strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets in which the Company and the Group operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Company's and, or the Group's actual operational results, financial condition and performance, and business and trading prospects may differ materially from the impression created by the forward-looking statements contained in this Registration Document. In addition, even if the operational results, financial condition and performance, and trading prospects of the Company and, or the Group are consistent with the forward-looking statements contained in this Registration Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to, those factors identified under section 2 of this Registration Document headed *"Risk Factors"* and elsewhere in this Registration Document.

All forward-looking statements contained in this Registration Document are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Company and the Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

2.3 Risks Relating to the Company

2.3.1 RISKS RELATING TO THE COMPANY'S ROLE AS THE HOLDING AND FINANCING COMPANY OF THE GROUP

As further described in section 6.1, *"Principal Objects and Activities of the Issuer"* of this Registration Document, the Company is the holding company and financing arm of the JD Capital Group, having as its main activity the carrying on of the business of a holding, financing, re-financing, and investment company within the JD Capital Group.

The only assets of the Company are its investments in the equity securities of its Subsidiaries, together with loans or other facilities that may be advanced by it to its Subsidiaries from time to time. As a result, the Company does not itself carry out any trading activities or operations of its own, with the only cash generating activities of the Company being the receipt of interest income on funds advanced to Group entities and dividends received from its Subsidiaries, if any, from time to time. The Company is thus economically dependent on the operational results and the financial position and financial performance of the companies forming part of the JD Capital Group, as well as any other entities it may establish, acquire, or otherwise have an interest in, whether by way of joint venture, partnership, merger, or other arrangement, in the future.

Consequently, the financial performance and position of the Company is directly affected by the financial and operational results of its Subsidiaries, as well as any other entities it may establish, acquire or have an interest in, in the future, and as such the risks faced by the Company are those risks that are inherent or attributable to the business and operations of its Subsidiaries and any such other entities. In particular, the Company is dependent on the full and timely repayment of capital and interest payable on the loans advanced by it to its Subsidiaries from time to time, including the intra-group loan agreements subsisting as at the date of this Registration Document, as well as the additional intra-group loans that are to be advanced by the Company to its Subsidiaries from the proceeds raised from the issue of the Secured Bonds, which payment shall, in turn, depend on the positive cash flows generated by the Group.

In the event that any one or more of the Subsidiaries, and, or any other entities the Company may establish, acquire or otherwise in future have an interest in, underperforms in any one financial year or otherwise experience adverse fluctuations in cash flows, volatility in cash flows, liquidity strains, or other financial difficulties, such underperformance or adverse financial position and operational results may, in turn, adversely affect the financial position and operational results of the Group, and in turn, the Company. This may negatively impact the market value of the securities issued by the Company from time to time, including the Secured Bonds, and, or, the ability of the Company to meet its obligations towards holders of its debt or other securities, including its obligations towards Bondholders under the Secured Bonds.

2.4. Economic and Financial Risks

2.4.1 RISKS RELATING TO THE GROUP'S FINANCING AND INVESTMENT STRATEGIES AND HISTORICAL GEARING LEVEL

The Group may not be able to obtain the financing it requires for the continued operation of its business, completion of major projects, and investments, including for the acquisition, development, expansion or improvement of existing or new properties or industrial manufacturing and production facilities and, or other strategic investments, on commercially reasonable terms, or at all. Failure to obtain, or delays in obtaining, the financing required to complete current or future operations, projects and, or strategic investments on commercially reasonable terms, including increases in borrowing costs or decreases in debt capacity or funding availability, may limit the Group's growth and adversely affect its business, financial condition, results of operations, and prospects.

The Group has a number of bank credit facilities and loan facilities outstanding as at the date of this Registration Document and the Group's capital structure is, and is expected to remain in the near future, relatively highly geared, and the debt service obligations resulting from such leveraged capital structure are expected to absorb a significant portion of cash flows generated by the Group's operations. In addition, as at the date of this Registration Document, JD Operations has pending tax liabilities and social security contributions which are in the process of being settled in terms of a payment schedule entered into with the Maltese Commissioner for Tax and Customs. In this respect, as the Maltese Commissioner for Tax and Customs is considered a privileged creditor, it may in the future register a security interest on the immovable property of JD Operations.

Adverse movements in the Group's actual or projected cash flows will reduce the actual or projected level of debt service cover and the ability of the Company to fulfil its obligations under its listed securities, including the Secured Bonds, as well as the ability of the Group to fulfil its obligations under any financial indebtedness outstanding from time to time, including any lump-sum commitments and, or monthly indebtedness repayment obligations. In the past, the Group has indeed encountered instances in which the fulfilment of certain repayment obligations due to banks was delayed.

As at the date of this Registration Document, a number of projects, in particular real estate development projects, are ongoing and therefore are not presently generating revenue, thus resulting in limited cash reserves until such projects are finalised.

The Group may be subject to adverse movements in interest rates where it has entered into third-party financing arrangements that are subject to interest rates with a fluctuating or variable interest rate component, increasing its borrowing cost and debt servicing obligations.

The Group is subject to various covenants and restrictive undertakings stipulated by the terms and conditions of its third-party financing arrangements. These restrictions and covenants could limit the Group's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally, or otherwise inhibit the ability to conduct necessary operational activities. If the Group were to default on its obligations under its third-party financing arrangements, including, without limitation, for late payment or breach of such covenants and undertakings, the Group may be liable to default interest and, or contractual penalties and third-party financiers may exercise or seek measures to enforce any security interests constituted in their favour, or to exercise early termination rights and to request immediate repayment of the loans or other financial indebtedness, together with any and all accrued interest.

Furthermore, the occurrence of an event of default under one loan or other third-party financing arrangement may give rise to cross-defaults across the third-party financing arrangements of the Group.

If the circumstances indicated above were to manifest themselves, the Group's financial position, operational results and its business and trading prospects may be materially adversely affected, and the ability of the Company to satisfy its obligations towards holders of debt or other securities, including its obligations towards the Bondholders under the Secured Bonds, may be materially adversely affected.

2.4.2 DEPENDENCE ON THE MALTESE MARKET AND EXPOSURE TO ECONOMIC CONDITIONS

To date, the business activities and operations of the Group have been concentrated in and aimed at the Maltese market. Accordingly, the Group is highly susceptible to the economic trends that may from time to time be felt in Malta, including fluctuations in consumer demand, financial market volatility, inflation, the property market, interest rates, exchange rates, direct and indirect taxation, wage rates, utility costs, government spending and budget priorities, and other general market, economic, and social factors. Negative economic factors and trends in Malta, particularly those having an effect on the property construction and development, would have, in turn, a negative impact on the business of the Group and demand for its industrial and manufacturing works in the steel, glass, aluminium, and related industries.

In particular, even though the Maltese economy has been performing well in recent years, characterised by healthy and steady economic growth and low unemployment levels, any deterioration in the economy or market segments thereof, whether actual or perceived, could adversely affect the financial performance and condition of the Group. Challenging economic and socio-political conditions could reduce demand for the Group's product and service offerings, increase expenses, lower disposable income, increase impairments and negatively impact the value of security interests or collateral constituted by the Group under its financing or other contractual arrangements (in particular, land and property values). Moreover, prolonged periods of socio-political uncertainty, unrest and, or government deadlock could, in turn, have a negative effect on the demand for the Group's product and service offering, including its planned 3PL services, which could have a material adverse effect on the results of its operations and its financial performance and condition. The Group's business, results of operation, financial condition or prospects may also be affected by such financial, economic, and socio-political developments in or affecting the Maltese Market.

Furthermore, even though the Group's business and activities are concentrated in, and aimed at, the Maltese market, the Group's customers and suppliers and other key stakeholders are spread across different regional and international markets, and is consequently susceptible to adverse economic developments and trends overseas. In particular, weak economic conditions or tightening of the credit markets may affect the solvency of its suppliers or customers, which could lead to disruptions in its business operations, accelerated payments to suppliers, increased bad debts, or a reduction in its revenue, which may impact the Group's ability to recoup the debts owed to it, and in turn to fulfil its own obligations.

2.4.3 RISKS RELATED TO CHANGING INDUSTRY TRENDS AND COMPETITIVE FORCES

The manufacturing, property development, and 3PL operations of the Group are subject to constantly and rapidly evolving industry demands, preferences, and trends. Consequently, the success of these business operations is dependent upon the priority and preferences of the Group's historical and prospective client base, and its ability to swiftly anticipate, identify, and capitalise upon these priorities and preferences relating to, among other factors, innovative design, manufacturing (or development, as applicable) processes and techniques, safety features, project delivery and installation (or finishing, as applicable) methods, cost-effectiveness, quality and variety of materials, equipment and other supplies, the expertise and experience of personnel, the variety of post-installation (or post-delivery) services, and the Group's overall project delivery services offerings, be they relating to the manufacturing, property development, or 3PL operations. If the Group is unable to do so, the Group could experience a loss in market share, an impaired ability to win competitive tenders or other bids, and reductions in its turnover, as applicable, all of which could have a material adverse effect on the Group's, operational results, financial condition, and its prospects.

In addition, each of the business lines of the Group is also susceptible to local and global competition, influenced by a variety of determining factors including price, variety and quality of goods, supplies and other materials, the type and depth of product and service offering, availability, reliability, post-delivery services, project management, and logistical arrangements in respect of both competing or substitute goods and services. Furthermore, the Group's current and potential competitors, particularly international operators, may have greater name recognition, larger customer bases and greater financial and other resources than the Group. Moreover, the Group's competitive strength is dependent on its ability to keep up with changes in technology and production and manufacturing processes and techniques to enhance its product and services offerings, reduce costs, and improve margins. A decline in the relative competitive strength of the Group could adversely affect the Group's results of its operations, financial condition, and prospects.

2.5 Business and Operational Risks

The Group's historical core operations entail the design, fabrication, manufacturing, processing, supply, and installation of industrial aluminium, steel, and glass works, and the delivery and completion of projects in relation thereto, as described in detail in section 6.2 of this Registration Document. Following the incorporation of JD Real Estate Development, and as described in further detail in section 6.2.6, the Group's business has been diversified to include investment in immovable property for development, which could be held as long-term investments, rented to third parties, or sold, depending on the opportunities available and their financial feasibility. Additionally, as set out in section 6.2.5, JD Operations is expected to begin offering 3PL shared warehousing operation services by Q4 2025, further diversifying the Group's business into the logistics industry. The results of the Group are subject to a number of factors that could adversely affect the Group's business, many of which are common to the industries in which it operates and are beyond the Group's control.

The purpose of this section is to set out an overview of the risks factors inherent in, or associated with, the industry sectors in which the Group operates or will be operating in, as well as specific risk factors that are associated with the Group's own business and operational model, history, development, and strategy and, therefore, those risk factors that are specific to the Group, from both an operational as well as compliance perspective.

2.5.1 RISKS RELATING TO THE GROUP'S BUSINESS GENERALLY

2.5.1.1 Risks relating to the temporary title over the Hal Far Industrial Facility

The Group, prospective 3PL services as well as the operations relating to the design, fabrication, manufacturing, processing, supply, and installation of industrial aluminium, steel, and glass works are (or will be, in the case of 3PL services) principally carried out at the Hal Far Industrial Facility situated at the Hal Far Site. The Hal Far Site and Hal Far Industrial Facility are held by JD Operations under a title of a 65-year temporary emphyteusis granted unto JD Operations by INDIS, effective as from 6 March, 2018. The grant is subject to a number of onerous terms and conditions, including terms relating to minimum employment commitments, permitted use, payment of annual ground-rent, maintenance of adequate insurance cover, development permits, and maintenance and repairs, among others. Failure to abide with the terms and conditions to which the emphyteutical grant is subject may have an adverse material effect on the operations of the Group, including as a result of the imposition of contractual penalties or the enforcement of an event of default under the said emphyteutical deed, the occurrence of which may entitle the INDIS to terminate the temporary emphyteusis. The inability of the Group to carry out its operations at the Hal Far Industrial Facility at any time due to failure to adhere with the terms and conditions of the emphyteutical grant could have a material adverse effect on the results of the operations of the Group, its financial performance and condition, and prospects.

2.5.1.2 Risks relating to the Group's exposure to claims and litigation inherent in the Group's operations

All industries which the Group operates or has plans to operate in are subject to legal claims, with or without merit. Litigation is expensive, time consuming, and may divert management's attention away from the operation of the business of the Group. In addition, the Group cannot be certain that its insurance coverage will be sufficient to cover one or more substantial claims. Adverse publicity from such allegations, claims, or proceedings may also adversely affect the turnover generated by the Group, its goodwill, and trading prospects, regardless of whether such allegations or claims are true or whether the Group is ultimately held liable. Furthermore, it is possible that if complaints, claims, or legal proceedings such as the aforementioned were to be brought against a direct competitor of the Group, the latter could also be affected due to the adverse publicity brought against, and concerns raised in respect of, the industry in general.

Particularly, industrial manufacturing, processing, production, and project delivery works necessitate the use and operation of heavy and specialist equipment, apparatus, machinery, vehicles and the operation of production facilities that inherently involve health and safety risks and hazards to the Group's employees and other third-parties, including its customers, suppliers, on-site inspectors, engineers, architects and other personnel involved in the production manufacturing, production and works processes of the Group. Consequently, the Group is exposed to the risk of liability for death, sickness, personal injury, or damage to third-party property or equipment arising out of, or in the course of, the design, execution, and completion of its processing, production, and works, or for wilful or negligent acts of its employees or other personnel, and, is therefore, susceptible to the risk of being liable for penalties, fines, costs, expenses, losses, liabilities, revocation of authorisations, and, or other sanctions made against it. Furthermore, the Group may be liable to claims for breaches of intellectual property rights or breach of design, manufacturing, production, storage, delivery, assembly, and installation procedures under the applicable contractual arrangements, legal or regulatory requirements, as well as industry standards and certifications.

No assurance can be given that disputes which could have such effect would not arise in the future. Exposure to litigation or fines imposed by regulatory authorities may affect the Group's reputation even though the monetary consequences may not be significant.

2.5.1.3 Risks relating to relating to the failure to implement sustainable and, or environmental, social, and governance considerations in the Group's business model

There is a growing expectation for businesses to ensure that they conduct their business in a sustainable and environmentally responsible manner, including by taking proactive measures to reduce their carbon footprint, maximise the use of recycled and recyclable or biodegradable materials, reduce the use of plastic, and increase the use of alternative and sustainable means of design, production, manufacturing, and construction. This trend is not only drawn from a growing concern surrounding the depletion of the natural environment and natural resources, the adverse effects of climate change, and the consequential negative effects of unsustainable practices, but also from legal and regulatory requirements.

Additionally, with an increased emphasis on environmental, social, and governance ("**ESG**") considerations at global level, the implementation of sustainable factors in the Issuer's business model is expected to come under increased scrutiny by investors, regulators, and the public at large. ESG considerations for the purposes of the Group's business may include, but are not limited to, energy performance, energy and resource efficiency, waste management, energy and water use, the use of renewables, as well as social and employment considerations of workers and the health and safety thereof.

The failure of the Group to ensure that it satisfies environmental and sustainability laws and regulations, or meet market pressures and consumer expectations concerning sustainability could in future, in the event of introduction of measures aimed at fostering increased sustainability and environmental protection, have a material adverse effect on the Group's business, financial condition, and, or results of operations, including a loss of business or business retention, exposure to regulatory fines, and the inability of the Group to obtain the necessary permits or other authorisations to carry out its business operations, projects, or investments.

2.5.1.4 Risk of loss of key senior personnel and specialist personnel

The Group believes that its growth is partially attributable to the efforts and abilities of the members of its executive management team and other key or specialist personnel, including executive management, its project management personnel, sector-specific experts and professionals and other personnel, and upon its ability to attract, develop, and retain such key personnel to manage and grow the Group's business.

The Group's inability to attract, develop and retain key and highly skilled and qualified personnel with sector-specific experience and expertise or leadership capabilities, could have an adverse effect on its relationships with stakeholders and the operational results, financial position, and, or the growth prospects and strategic objectives of the business of the Group. Furthermore, if one or more of such persons currently or in future employed by the Group were unable or unwilling to continue in their position, particularly if such members are lost to competitors of the Group, the Group might not be able to replace them within the short term, which could have a material adverse effect on the Group's business, financial condition, and results of operations.

Employee retention may be particularly challenging following acquisitions or divestures as the Group must continue to motivate employees and keep them focused on its strategies and goals. Moreover, the Group's inability to train and motivate its key personnel to meet the evolving trends in the industries and markets in which the Group operates could cause a decrease in the overall quality, efficacy, and efficiency of such personnel. Such consequences could adversely affect the Group's business, results of operations, or cash flows. Additionally, unless skills are supported by a sufficient infrastructure to enable knowledge and skills to be passed on, the Group risks losing accumulated knowledge if key employees leave.

In addition, the Group is ultimately beneficially wholly owned by Mr Josef Dimech. Accordingly, Mr Dimech exercises effective control over the Company and the Group. The unexpected loss or prolonged absence or indisposition of Mr Josef Dimech or a dilution in his shareholding, control, or influence over the Company and, or the Group and its business could have an adverse effect on the Company and the Group. There can be no assurance that Mr Dimech will not, at any time, dispose of any interest, direct or indirect, in the Company and, or the Group, nor can there be any assurance that Mr. Dimech will maintain his involvement in the strategic management and direction of the Group. Moreover, Mr Dimech is not under any obligation or firm commitment to continue to financially support or invest in the Group and the financial strength and condition of the Group, and in turn, of the Company, may be adversely affected if Mr Josef Dimech is unwilling or unable to provide the necessary financial resources, as and when required.

2.5.1.5 Risks relating to the production processes, information systems, and technology utilised by the Group

As the Group is increasingly dependent on the proper and uninterrupted operations of its equipment, machinery, tools, production and manufacturing processes, computer systems, information processing and management systems software and telecommunications networks, electronic communication networks, access to the internet, as well as the systems and services of other third parties (collectively the "**I.T. Systems**") that are necessary to carry out its manufacturing, development, and 3PL services, and the supporting and ancillary activities relating thereto, its operational activities may become subject to a failure, disruption, or other interruption in its I.T. Systems. Such event may arise as a result of various factors that may be out of the control of the Group, as a result of (without limitation) natural disasters, electricity outages and, or technical malfunctions which could be malicious (including, but not limited to, the risks of increasingly sophisticated cyber-attacks such as malware attacks, ransomware, phishing, hacking, or any other form or type of cyber-attack, data theft, or other unauthorised use of data), due to errors, negligence, or force majeure. In addition, service level agreements, business continuity plans, and disaster recovery plans intended to ensure continuity and stability of these systems may not necessarily prove sufficient to avoid any type of disruption to the Group's business.

If such failure, disruption, or other interruption, even temporary, were to occur, the activities of the Group could be interrupted for the period of time for which such event subsists, which lack of access could adversely affect the Group's information management systems, manufacturing and processing systems, operational processes, and its ability to deal with its stakeholders in a timely, proper and effective manner. In addition, a failure or disruption in the I.T. Systems that support the Group's business could lead to loss of control over critical business, project information, or systems, and adversely impact its ability to operate. The Group may additionally be unable to develop or acquire competitive I.T. Systems capable of meeting its business requirements and, or may lack sufficient resources to invest in I.T. Systems that will allow it to compete with its competitors and efficiently protect information and operating systems. Any of the foregoing risks could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

2.5.1.6 Risks connected with the Group's insurance cover

Historically, the Group has maintained insurance at levels determined by the Group to be appropriate in light of the cost of cover, the nature and volume of its activities, its legal and contractual minimum insurance cover obligations and commitments, and the risk profiles of the business sectors in which the Group operates, including insurance relating to public liability, employers liability, directors and officers liability, personal accident liability, accidental damage liability, warehousemen liability, contract works all risks liability, and marine cargo liability insurance. With respect to losses for which the Group is covered by its policies, it may be difficult and may take time to recover such losses from insurers. In addition, the Group may not be able to recover the full amount from the insurer, including but not limited to procedural restrictions or formalities, or due to substantive exclusions, exemptions, limitations on coverage, *de minimis* liability coverage limitations, prescriptive time periods and limitations, reporting or other disclosure requirements, licencing or other authorisation or registration requirements, breach of restrictive covenants or undertakings, breach of warranties and, or representations, as well as restrictions or formalities relating to the initiation of, and control over, litigation, investigations, or other proceedings relating thereto. Furthermore, its insurance policies may be pledged or otherwise granted as security in favour of third-party financiers or other third parties and the Group may not be able to recover amounts thereunder where such security subsists.

No assurance can be given that the Group's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates. In addition, changes in legislation or judicial interpretation, or the issuance or alteration of directives, orders or other measures (whether interim or otherwise), by the relevant authorities (including but not limited to governmental departments or authorities, planning and development authorities, health and safety authorities, environmental authorities, among others) may impact the ability to recoup losses under insurance coverage held by the Group. Furthermore, the actions, or inactions of employees or other officials of the Group, or of any of its contractors, sub-contractors, outsourcing parties, or other third-parties engaged by the Group from time to time, may affect the ability of the Group to successfully make a claim under its insurance policies.

2.5.1.7 Risks relating to the complex and constantly evolving regulatory environment in which the Group operates

The Group operates in a complex regulatory environment, as a result of which it is subject to a vast array of rules and regulations, including but not limited to the requirements prescribed by the Occupational Health and Safety Authority Act (Cap. 424 of the laws of Malta), the Work Place (Minimum Health and Safety requirements for Work at Construction Site) Regulations (subsidiary legislation 424.36), the Development Planning Act (Cap. 552 of the laws of Malta), the Environmental Management Construction Site Regulations (subsidiary legislation 552.09), the Building Regulation Act (Cap. 513 of the laws of Malta), and the Avoidance of Damage to Third Party Property Regulations (subsidiary legislation 623.06) as each may be amended or otherwise supplemented from time to time, as well as other rules and regulations generally relating and applicable to industrial manufacturing, product standards, product liability, delivery and international consignments, environmental protection, anti-money laundering and counter-terrorist financing, and property construction and development, among others. The regulatory environment in which the Group operates is constantly evolving, with the introduction of new rules and regulations, or the amendment or overhaul of existing ones.

Furthermore, the Group's business and activities may be subject to a variety of terms and conditions under the relevant permits, licences, or other authorisations, technical specifications, drawings, standards and other conditions relating to its property development activities, manufacturing, processing, and production activities, as well as the on-site works, which terms and conditions may vary on a project-by-project basis, may depend on the nature, scale, and complexity of the project in question, and are susceptible to changes in the application and, or interpretation thereof from time to time.

The inability of the Group to meet its ongoing regulatory and legal requirements, whether in whole or in part, or the inability of the Group to equip itself to comply with forthcoming legislation or regulation in a timely and suitable manner, may expose the Group to the risk of regulatory sanctioning, including but not limited to, the imposition of public reprimands, administrative or punitive fines or penalties, temporary suspension of activities, or even revocation of licences, permits, or other authorisations, whether in whole or in part. In addition, lack of compliance with legal and regulatory requirements may negatively affect the reputation and goodwill of the Group and may result in a loss of existing or potential business and, or a weakened competitive advantage.

If any of these risks were to materialise, they could have a material adverse effect on the operational results, and financial performance, and position of the Group.

2.5.2 RISKS SPECIFIC TO THE MANUFACTURING SECTOR

2.5.2.1 Risks relating to industrial aluminium, steel, and glass works, design, manufacturing, supply, and project delivery

The Group faces operational risks related to its ability to deliver projects within agreed upon project deliverables, including project design specifications, quantity requirements, quality and quality control procedures, secured storage, handling and delivery procedures, involvement of qualified and skilled personnel, adequacy of resources and equipment, technical and industry standards, certification requirements, scheduled programme of works, fitting and finishing specifications, principles of good workmanship and best industry practice, legal and regulatory requirements, and, ultimately, within project budgeted costs and stipulated project deadline, including deadlines for phases or sub-phases thereof.

Non-compliance with the Group's committed projected deliverables, contractual arrangements, or applicable regulatory and legal requirements relating thereto, could result in significant penalties (including daily penalties for mere delay), fines, pre-liquidated damages or other damages, and, or early termination of project contracts and related contracts. Furthermore, the Group may be susceptible to liability for costs, expenses, losses, forfeit of or reduction in project revenue, or other liabilities incurred to remedy defects, repairs or replacement of goods, supplies or other materials that were rejected. The Group may also be liable to forfeiture of any performance guarantees put up by the Group as security for the due performance, of its project delivery commitments.

Project contractual arrangements may also limit the Group's ability to recover cost overruns or other additional expenses incurred in the delivery of the project, which could reduce the revenue and margin generated by the Group on its project works. The Group may also be susceptible to the right of its customers to reject goods or other supplies, or to request a variation in the project works, which variation may not always be subject to a corresponding equivalent adjustment in project fees, or as a result of which the Group may not be able to recover the additional charges, expenses or other costs incurred as a result of such variation. In addition, the Group may not have the capacity to provide the additional services requested.

Inability to comply with such obligations could adversely impact the Group's relations with its customers, prejudice its goodwill, and, or could result in a material adverse effect on the financial position, financial performance and operational results of the Group.

The prices of the raw materials used in the production process reached record highs on international markets in 2021 and 2022 caused by a combination of heightened demand and low availability, global supply chain challenges, increase in shopping costs, shortages in containers, ships, and human resources. Whereas prices have generally subsided from such high levels, the price of aluminium in particular remains volatile. Should the volatility in the prices of raw materials resume in an upward trajectory over subsequent years, the Group may be negatively affected if these increased costs are not capable of being reflected in increased charges for the delivery of such products by the Group. The Group may further be unable to maintain an adequate stock of the materials and resources it requires, resulting in increased costs and project delays.

2.5.2.2 Risks arising from reliance on material suppliers and third-party contractors and sub-contractors

For completion of projects for which it has been contracted to undertake, the Group places a degree of reliance on counterparties such as its material and key suppliers, specialist manufacturers, contractors, subcontractors, or other agents engaged in design, supply and manufacturing of goods, supplies, equipment and other materials, preparatory works and ancillary services that are necessary or otherwise complimentary to the property development, design, manufacturing, supply, and project works and delivery activities of the Group.

The Group is thus dependent, to an extent, on its ability Group to establish, maintain, and expand its relations with a diverse range of suppliers, contractors, sub-contractors, and other agents who are able to offer competitive, cost-effective, and high-quality solutions, have adequate resources and capacity, including appropriate technical expertise and experience and technological capabilities, and who are reliable, and of good repute and standing. Moreover, the Group relies on such third parties to manufacture, produce, and deliver designs, goods, supplies, equipment, and other materials, preparatory works or other services purchased by the Group in accordance with the agreed upon purchase orders, design specifications, intended use and purpose, technical and industry standards, quality and quality control procedures, packaging and labelling, certification requirements, and delivery methods and timeframes.

Failure of these third parties to meet their contractual obligations towards the Group could have a material adverse impact on the business of the Group, including the ability of the Group to complete projects within budgeted costs, stipulated deadlines or technical and design specifications, failure of which may result in the suspension or cessation of works, the early termination of contractual arrangements with clients, the imposition of contractual or regulatory fines or penalties, including daily penalties for mere delays, risk of cost of budget overruns or incurrence of additional costs, expenses or liabilities as a result of such delay or failure, and loss of revenue and reduced profitability of the Group. Furthermore, where the Group engages such contractors, sub-contractors, and other agents, it generally remains responsible for its obligations to its principal contractual counterparty, and may, therefore, not only be susceptible to a breach of such obligations, but also to limitation on warranties and limitations of liability of its contractors, sub-contractors, or other agents engaged by it, in accordance with the agreed to contractual terms and conditions.

In addition, any deterioration in the Group's ability to maintain long-standing and commercially attractive relations with its suppliers, contractors, sub-contractors, and other agents, including its ability to negotiate favourable exclusivity and other commercially viable or attractive arrangements, and the termination of any it's material relations from time to time, could have a material adverse effect on the results of the operations of the Group, its financial condition and performance, and its trading prospects. Moreover, the Group's ability to source alternative third-party contractors or sub-contractors having the suitable and appropriate sector-specific expertise, experience, or resources necessary to bid for, undertake, continue, and successfully complete industrial works and projects could have an adverse effect on the Group's competitive positioning in the industries and market segments in which it operates.

2.5.2.3 Risks associated with exposure to environmental liabilities

The Group may become liable for the costs of removal, investigation or remediation of any hazardous substances or materials utilised in the process of its industrial production and manufacturing processes, storage, delivery or its works relating to project installation, construction, and finishings, the costs of which may be substantial. The Group may also be required to remove or remediate any hazardous substances that it causes or knowingly permits at its facilities or any site at which it carries out works. Laws and regulations, which may be amended over time, may also impose liability for the presence of certain materials or substances or the release of certain materials or substances into the air, land, or water or the migration of certain materials or substances from a property investment and such presence, release or migration could form the basis for liability to third parties for personal injury, sickness, diseases, damage to property, or other damages. These environmental liabilities, if realised, could have a material adverse effect on the Group's business, financial condition, and results of operations.

2.5.3 RISKS SPECIFIC TO THE PROPERTY SECTOR

2.5.3.1 Risks relating to property development and construction activities

The Group, through JD Real Estate Development and its subsidiaries, engages in activities in the property sector. Property development and construction projects are subject to a number of specific risks:

- the risk of insufficiency or lack of availability of resources to complete development projects in the manner or within the timeframe envisaged;
- the risk of cost overruns and unexpected increases in project execution costs;
- the risk of rental or sales transactions not being effected at the prices and within the timeframes envisaged, which may lead to difficulty in obtaining payment from third parties as well as risks of ultimate unfeasibility of development projects;
- general industry trends, including the cyclical nature of the real estate market, economic depressions, change in market conditions including an oversupply of similar properties, a reduction in demand for real estate, changes in local preferences and tastes, increased competition in any of the markets or sectors in which the Group owns property or is undertaking real estate development;
- delays or refusals in obtaining all necessary zoning, land use, building, development, modifications, occupancy and other required permits and authorisations, including such permits and authorisations from the planning and environment protection authorities, together with legal complexities and uncertainties regarding the rights of the Group to obtain legal title over certain properties, and inconsistencies and inaccuracies in the land registrations system;
- the risk of not recouping costs associated with property surveys, valuation reports, title and environmental investigations, if a proposed investment were not to proceed to completion after such costs have been incurred;
- covenants, conditions, restrictions, and easements relating to the properties or their use, whether arising out of law or by way of contractual arrangement;
- laws, rules, and regulations, including in relation to acquisition, development, construction, planning, zoning, environmental protection, health and safety, financing, taxation, fiscal policies, insurance, and trade restrictions which may impact the development sector;
- although the local property development market has experienced high levels of activity in recent years, there can be no assurance that similar levels of growth or activity will be maintained, particularly in light of increased scrutiny and regulatory intervention; and, or
- high levels of activity in the sector may place a strain on the availability of human and other capital resources required to undertake and complete the development projects that the Group is committed to, or may wish to undertake, from time to time.

The occurrence of any of the risk factors described above could have a material adverse effect on the Group's business, financial condition, and results of operations, including by increasing the projected costs and times for completion of ongoing development projects.

2.5.3.2 Risks relating to the engagement and, or the involvement of third parties in connection with the Group's operations in the property sector and associated counterparty risks

The Group places a degree of reliance on third-parties such as architects, contractors and sub-contractors, and suppliers engaged in the valuation, demolition, excavation, and, or finishing of developments. This gives rise to counterparty risk in those instances where such counterparties (which may include both third parties as well as related parties) do not perform in line with the Group's expectations and in accordance with their contractual obligations due to, among other reasons, their insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond the Group's control.

Such default could have a material adverse impact on any development project of the Group, including the ability of the Group to complete projects within stipulated deadlines or with the necessary specifications, failure of which may result in loss of revenue and reduced profitability of the Group. In addition, the Group's ability to source third-party contractors or sub-contractors having the sector-specific expertise or resources necessary to bid for, undertake, and successfully complete development projects could have an adverse effect on the Group's competitive positioning in the property development market. If these risks were to materialise, this would have an adverse impact on the Group's business, its financial condition, results of operations, and prospects.

2.5.3.3 Risks relating to property valuations and net realisable value

The valuations referred to in the Prospectus are prepared by independent qualified architects with due consideration being afforded to the valuation standards published by the Royal Institution of Chartered Surveyors ('RICS'). However, the valuation of property is intrinsically subjective and based on several assumptions at a given point in time. In providing a market value of the respective properties, the architect have made certain assumptions which ultimately may cause the actual values to be materially different from any future values that's may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends as reality may not match the assumptions. Subsequently, the Group may purchase and, or have purchased property on the basis of inaccurate valuations. Moreover, property valuations are largely dependent on current and, or expected market conditions which may fluctuate from time to time. There can be no assurance that the property valuations and property-related assets will reflect actual market values.

2.5.3.4 Risks associated with ability to obtain necessary planning and development permits and maintaining ongoing compliance therewith

Securing planning approvals by the competent planning and environment authorities in a timely manner is of key importance to the Group's property development activities. There can be no certainty that any given planning application will result in planning approvals being granted, or that if granted, will not be on unduly onerous or restrictive terms, or which may materially and adversely affect the Group's business. Additionally, time delays to the expected timescale for the granting of planning approval may result in a reduction in the number of units that are available for sale or rent within a proposed timeframe.

Opposition to the Group's proposed developments, and, or appeals lodged against the Group's applications for planning and development permits may also cause, or oblige, the Group to adjust development plans on any pending or future projects, which adjustments may result in a combination of increased development costs and, or reduced revenues estimated to be generated from its development projects. In other instances, such adjustments may be so extensive as to render the development project unfeasible, as a result of which the Group may have to abandon its development project altogether, in which case it may be unable to recover any or all of the development costs, charges, and other expenses incurred prior to such abandonment.

The aforesaid opposition or appeals, as well as delays or refusals in obtaining planning permissions which may arise as a result, could, in addition to causing reputational damage, have a material adverse effect on the business, financial condition, and profitability of the Group.

Furthermore, local and national planning policies are subject to change, which could consequently impact the Group's development strategy. Any undesirable and unforeseen changes to local and national planning policies may adversely affect the Group's projections, revenue, and profit.

2.5.3.5 Risks relating to rental income

The Group owns properties which are set for rental to third parties, including but not limited to certain areas of the Birkirkara Office Complex and the Msida Hotel, as further described in sections 6.2.5 and 6.2.6, respectively, of this Registration Document. The revenue which is expected to be generated from these leases is dependent in the main part on tenants fulfilling their obligations under their lease agreements. There can be no assurance that the tenants will not fail to perform their obligations, whether due to insolvency, lack of liquidity, market or economic downturns, operational failure, or other reasons which are beyond the Group's control, which failure may have a material adverse effect on the financial condition of the Group, the results of its operations and its prospects. In addition, the Group is susceptible to the risk that tenants may terminate, or elect not to renew, their respective lease agreements. Failure to maintain a good relationship with tenants, or to renew lease agreements, or enter into new lease agreements, on similar or more favourable terms, could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

2.5.4 RISKS SPECIFIC TO THE 3PL SECTOR

2.5.4.1 Risks relating to mishandling and damage to goods in the Group's custody

The Group will be responsible for the loading, unloading, sorting, and storage of cargo. Throughout this process there is a risk that the goods can be damaged, misplaced, or lost while they are in the custody of the Group. The Group's insurance policies may not be adequate to compensate for any losses suffered as a result of mishandling, misuse, or total loss of goods. Any incident of damage or total loss or wastage or other associated losses that may occur could result in financial and reputational damage to the Group. This could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

Additionally, the Group may handle goods which may be valuable and of high importance. Such goods may have a higher susceptibility to theft. The Group's insurance policies may not be adequate to compensate for any losses suffered as a result of theft from the Hal Far Industrial Facility, should any theft be found to be attributable to gross negligence on the part of JD Operations, its employees, or persons otherwise providing service to the Group. Any incident of theft that may occur could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

2.5.4.2 Risks relating to the dependence on third party agents, suppliers, and contractors and use of external service providers

In order to operate its 3PL business, the Group will be in part dependent on the provision of a number of services from third parties, including but not limited to cargo carriage and marketing. If any third party services on which the Group relies in conducting its 3PL business become restricted, are temporarily halted (including as a result of termination of certification, technical problems, and, or industrial action), cease permanently or are not available in the future at commercially acceptable terms, this may adversely and materially affect the Group's 3PL business, results of operations, financial position, and prospects. Such material adverse effect could also occur as a result of the loss or expiration of any of the Group's contracts with third party service providers. In addition, the performance and implementation of the obligations of the Group's external service providers (including the efficiency, timeliness and quality of related contract performance) shall largely be beyond the Group's control. Accordingly, any failure of service providers to perform their obligations towards the Group in accordance with agreed levels of service could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

The Group may also employ third-party service providers to carry out a range of maintenance and ancillary services pertaining to the 3PL services of the Group. There can be no assurance that the Group's third-party service providers will always provide satisfactory services in accordance with the standards expected by the Group or by its customers or that its service providers will adequately perform their contractual duties under their agreements with the Group. Moreover, the Group is exposed to the risk of actions resulting from third-party providers which cause damage or injury to members of the public and, or employees of the Group, in which case the Group may be held liable to its customers and third parties and subject to claims for compensation. To the extent that third-party providers fail to perform services in connection with agreements that the Group has with its customers and, or are negligent and cause damage in performing their services, the Group may incur additional costs or be subject to liability under the relevant contracts with customers for unsatisfactory performance by third-party providers. The Group's service providers may engage in business practices unknown to the Group, encounter financial or other difficulties, or prioritise other projects and divert resources away from the Group's operations. Any of these factors would have a negative impact on the Group's reputation and could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

2.5.4.3 *Risks relating to perishable goods, pharmaceuticals, and food items*

The envisioned 3PL operations will involve the processing and handling a wide array of goods, including perishables, pharmaceuticals, food items, and valuable items, in respect of which specific operating handling procedures and protocols would need to be followed as well as in respect of which maintaining, among other things, standard operating protocols and procedures, and security of operations is necessary. Any goods improperly handled or stored by the Group could result in loss, damage, or wastage of goods, and result in damage to property and personal injury to employees and third parties working or having access to such products. This, in turn, could result in financial and reputational damage to the Group, which could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

2.5.4.4 *Risks relating to malfunction or breakdown of equipment*

The Group has invested in equipment, in particular in very narrow aisle ("**VNA**") trucks[1], for the provision of its 3PL services. VNA trucks should be reliable, agile, safe, and technologically capable to communicate with the warehouse management system (WMS)[2], using internet of things (IoT)[3] to automate the matching of pallets to their allocated rack space. Such equipment requires regular maintenance, and, in the event of malfunction or breakdown, the average repair time (depending on the type of equipment) is between four to eight hours while replacement time (if a particular piece of equipment cannot be repaired), depending on the type or equipment, can range between two to three days. Despite the existence of a business continuity strategy, which includes alternative plans for the Group in the event of a malfunction or breakdown of some equipment, there is no guarantee that the alternative plans will succeed. Accordingly, in the event of a malfunction or breakdown, the Group might not be able to provide services to its customers within the agreed timeframe, which could disrupt the overall operations of the Group. This could have a material adverse effect on the Group's business, the results of its operations, and its prospects.

2.5.4.5 *Risks relating to the reliance on demand for international products and distribution channels*

Globalisation, changes in demand patterns and the constant re-design of production setups and supply chains with increasing complexity drive the changing needs of the Groups customers in terms of logistics services. The Group is dependent on, and must also be able to anticipate, shifts in geographic centres of production and demand for international products being transported into and, or through Malta. Increased local production may reduce trade flows, which would decrease the need for the Group's services. In order to succeed in its 3PL business, the Group must understand, react, and where possible, pre-emptively anticipate customer needs in the optimisation of their supply chains. Failure to provide these services successfully may adversely and materially affect the Group's business, results of operations, financial position and future prospects.

3. RESPONSIBILITY AND AUTHORISATION STATEMENT

The Directors are responsible for the information contained in this Registration Document. To the best of the knowledge and belief of the Directors, who have all taken reasonable care to ensure such is the case, the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

This Registration Document has been approved by the MFSA as the competent authority in Malta for the purposes of the Prospectus Regulation. The MFSA has only approved this Registration Document as meeting the standards of completeness, comprehensibility, and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Issuer or the Group (as the subjects of this Registration Document).

[1] VNA trucks are vehicles designed specifically for replenishment and order picking in high-density warehouses (i.e. where storage is increased by narrowing the aisle width thereby maximizing storage space) and distribution areas.

[2] A WMS is software that assists in the management and control of daily warehouse operations, from the moment goods and materials enter until the moment they leave.

[3] IoT is the network of physical objects that are embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the internet.

4. IDENTITY OF DIRECTORS, ADVISORS AND AUDITORS OF THE ISSUER

4.1 Directors of the Issuer

As at the date of this Registration Document, the Board of Directors is constituted by the following persons:

NAME	DESIGNATION	DATE OF APPOINTMENT
Mr Josef Dimech	Executive Director	9 August 2017
Mr Franco Azzopardi	Executive Director	1 August 2024
Mr Stephen Muscat	Chairman, Independent Non-Executive Director	26 February 2018
Dr Stanley Portelli	Independent Non-Executive Director	9 August 2017
Dr Jesmond Manicaro	Independent Non-Executive Director	7 September 2022

The business address of the Directors is the same as that of the Issuer.

The company secretary of the Issuer is Dr Malcolm Falzon, holder of identity card number 129280M of 278, Triq San Giljan, Birkirkara, Malta.

4.2 Advisors

The persons listed hereunder have advised and assisted the Directors in the drafting and compilation of this Registration Document.

Legal Advisors to the Issuer	**Name:** **Address:**	Camilleri Preziosi Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta
Reporting Accountants	**Name:** **Address:**	RSM Malta Advisory Limited RSM Malta, Triq L-Imdina, Haz-Zebbug ZBG 9015, Malta
Sponsor & Co-Manager	**Name:** **Address:**	Calamatta Cuschieri Investment Services Limited Ewropa Business Centre Triq Dun Karm, Birkirkara BKR 9034, Malta
Registrar & Co-Manager	**Name:** **Address:**	Bank of Valletta p.l.c. 58, Zachary Street, Valletta VLT 1130, Malta

4.3 Auditors

Name: RSM Malta
Address: RSM Malta,
Triq L-Imdina, Haz-Zebbug ZBG 9015, Malta

RSM Malta is a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta). The Accountancy Board registration number of RSM Malta is AB/26/84/53.

4.4 Security Trustee

Name: Finco Trust Services Limited
Address: The Bastions Office No 2,
Emvin Cremona Street, Floriana FRN 1281 Malta

Finco Trust Services Limited is licensed by the MFSA to act as a trustee in terms of the Trusts and Trustees Act, Cap. 331 of the laws of Malta.

5. INFORMATION ABOUT THE ISSUER

5.1 History and Development of the Issuer

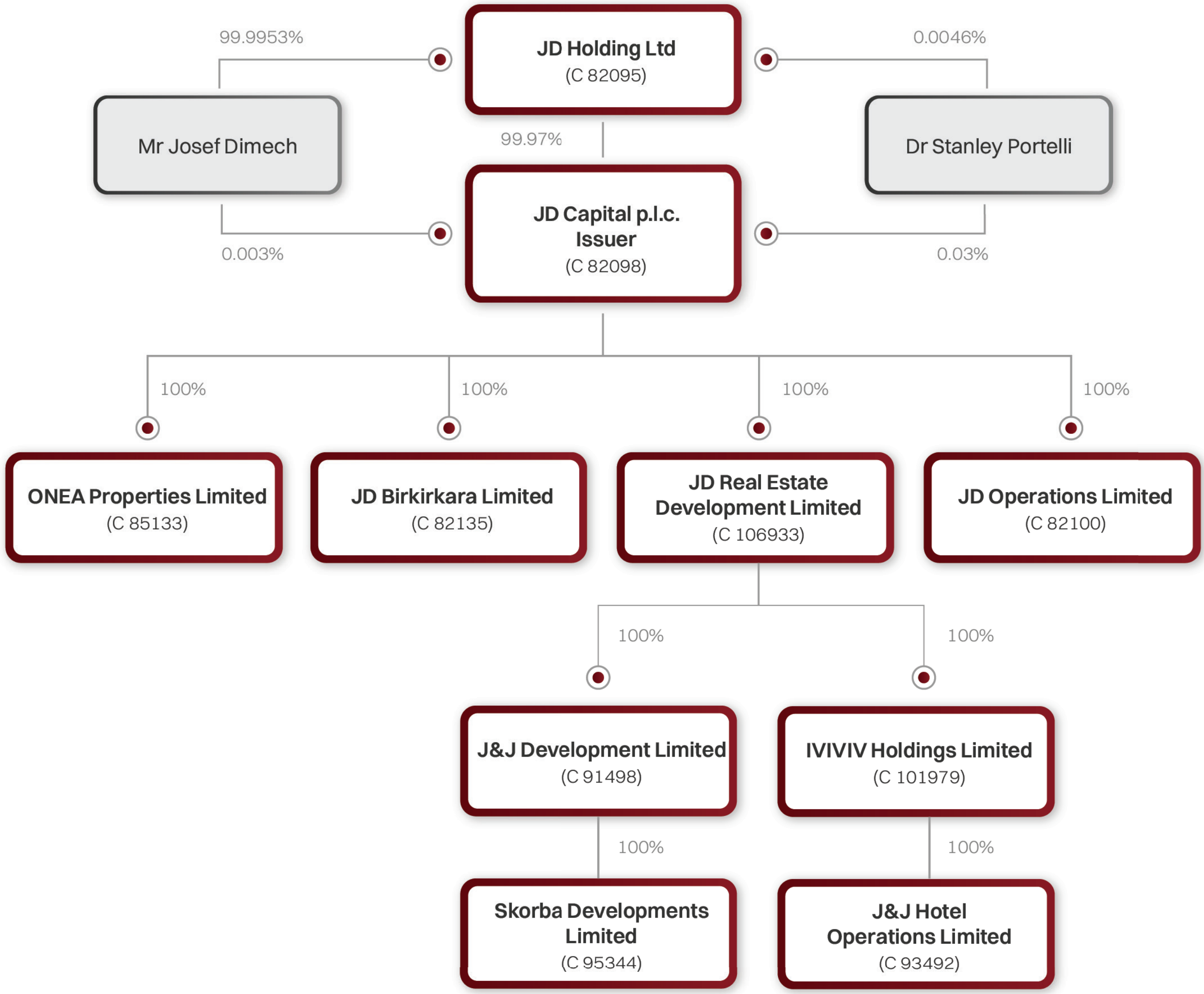
Full legal and commercial name of the Issuer	JD Capital p.l.c.
Registered address	HHF 303, Industrial Estate Hal Far, Birzebbuga BBG 3000, Malta
Place of registration and domicile	Malta
Company registration number	C 82098
Legal Entity Identifier ('LEI')	391200C8XW0F6K1ROJ82
Date of registration	9 August 2017
Legal form	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act. The Issuer was converted from a private limited liability company ('ltd') to a public limited liability company ('p.l.c.') on 15 March 2018.
Telephone number	+356 21653689
Email	info@jsdgroup.mt
Website	https://www.jsdgroup.mt/investor-relations/

The Issuer is a holding and financing company that does not undertake any trading activities of its own. Accordingly, the Issuer is economically dependent on the financial and operating performance of the businesses of Group entities.

Unless it is specifically stated herein that particular information is incorporated by reference into the Prospectus, the contents of the Company's website or any other website directly or indirectly linked to the Company's website, or any other website referred to herein, do not form part of the Prospectus. Accordingly, no reliance ought to be made by any investor on any information or other data contained in such website as a basis for a decision to invest in the Secured Bonds.

5.2 Organisational Structure of the Group

The organisational structure of the JD Capital Group as at the date of this Registration Document is illustrated in the organigram hereunder:



6 BUSINESS OVERVIEW

6.1. Principal Objects and Activities of the Issuer

Principal Objects

The principal objects of the Issuer are set out in Article 4 of its Memorandum and Articles of Association and include, but are not limited to, the carrying on the business of a holding, financing, re-financing and investment company in connection with the ownership, development, operation and financing of the group of companies of which the Issuer forms part. The Issuer therefore intends to serve as a vehicle through which the Group will continue to finance its future projects, and for such purpose: (i) to subscribe for or otherwise acquire and hold shares, stocks, debentures or other securities of any other company, and to finance and manage the business or operation of any company in which the Issuer holds any such interest; (ii) to purchase, sell, lease, hire, or otherwise acquire, hold, or dispose of under any title any interest in an estate, land, buildings, assets, liabilities, or any other movable or immovable property of any kind, whether situated in Malta or elsewhere; (iii) to construct, reconstruct, renovate, furnish, maintain, develop and manage any immovable property of any type; and (iv) to borrow or raise money, including through the issuance of debentures, bonds, notes, loans, or other securities, and to secure the repayment of any money borrowed or raised, including through the hypothecation, privilege, charge or lien upon the whole or any part of the Issuer's property or assets.

In pursuance of the said principal objects, the Issuer will enter into loan agreements with, and, or otherwise invest in, its Subsidiaries for the purpose of financing their investment needs from time to time.

Principal Activities

The Issuer was registered on 9 August 2017 and was established as the holding company, financing, re-financing and investment arm of the Group. The Issuer, therefore, does not carry out any trading or operating activities of its own, other than the carrying out of financing and re-financing activities, including the advancing of funds to companies forming part of the Group to fund the Group's funding requirements as and when the demands of the Group's business so require. Accordingly, the Issuer is economically dependent on the operations undertaken by its operating Subsidiaries, as described in the next section hereunder.

6.2 Historical Development of the JD Capital Group

This section is intended to provide an overview of the historical development of the operating divisions of the JD Capital Group, from its early days as JSDimech to its present position within the industries in which it operates.

6.2.1 INITIAL PHASE: FROM A SMALL IRON WORKS BUSINESS TO THE ESTABLISHMENT OF JSDIMECH

The Dimech family has been in the business of aluminium, steel, and stainless steel works for the past 40 years, having established the business, J's Dimech, in 1979. After learning the trade first-hand in the Msida wrought iron works garage of his father, Mr Josef Dimech took on the challenge of developing what was his mere pastime into a business and career in itself. Over the years, Mr Josef Dimech began consolidating his position in the steel and aluminium works industries, with a critical milestone being reached as early as 2004, when, at the age of 25, Mr Dimech started his own business and established JSDimech Com-ind. The next watershed moment came in the same year, with JSDimech Com-ind moving its operations from its family premises in Msida to larger premises in Birkirkara. By the age of 30, Mr Josef Dimech consolidated his position in the market through a steadily growing portfolio of clientele.

6.2.2 DEVELOPMENT PHASE: MANUFACTURING FACILITIES OPENED AT HAL FAR INDUSTRIAL ESTATE

The second critical juncture in the growth and development of JSDimech came in 2009, with the company moving its operations to a manufacturing plant in Hal Far, offering wrought iron, steel structures, stainless steel, aluminium works, large format glass works, cladding, railings, and the installation of automatic sliding, hinged and revolving door systems, and other related products and, or services related to the provision of external envelopes for building development projects.

The plant, situated over a site measuring *circa* 16,245m² (divided into a built-up area of 5,308m² and a surrounding un-built area of 10,937m²), at the Hal Far Industrial Estate, Birzebbuga originally consisted of a series of structures, as follows: an aluminium and steel section manufacturing area (2,977m²); alucabond section (463m²); spray painting block (880m²); glass section (731m²); and administration block (257m²) (hereinafter referred to in this Registration Document as the "**Hal Far Factory**").

The production area forming part of the Hal Far Factory was equipped with the latest computer numeric control machinery, spray booths and a variety of other equipment to ensure that products are made to the highest industry standards. Moreover, beyond catering for production facilities for both residential and commercial aluminium and steel related projects, the manufacturing facilities featured a spray booth facility, vehicle servicing and repair garage, an onsite tower crane, a dedicated substation, indoor and outdoor storage facilities, as well as an administration centre covering over *circa* 500m^2, together with meeting rooms and ancillary facilities.

The Hal Far Factory enabled the JSDimech operational set-up to be organised in such a way as to enhance cost-effectiveness, benefit from economies of scale, and ultimately, in combination with a team of highly skilled employees and fleet of over 60 delivery trucks and heavy lifting equipment, provide its clientele with a high quality product and service offering.

The Hal Far Factory was originally granted by INDIS (at the time, Malta Industrial Parks Limited, a private limited liability company, wholly owned by the Ministry of Finance (Government of Malta), responsible for the administration of government-owned industrial estates and related facilities around Malta and Gozo, and for supporting and promoting the further development of such properties) unto JSDimech under title of lease by virtue of a series of lease agreements dated 11 December 2011 and 24 May 2013 respectively, following a period of two years (as from 22 May 2009) in which such company occupied the premises on an encroachment basis. Subsequently, on 6 March 2018, the lease agreement was substituted in its entirety by a deed of temporary emphyteusis in the records of Notary Dr Vanessa Poole entered into between INDIS (at the time, Malta Industrial Parks Limited) and JD Operations, by virtue of which the Hal Far Site and the buildings making up the Hal Far Factory were granted unto JD Operations under a 65-year temporary emphyteusis for industrial use purposes, against payment of an annual ground rent, revisable by 5% every five years (the "**Emphyteutical Deed**").

The Emphyteutical Deed provides that the emphyteutical grant over the Hal Far Factory is regulated by the relevant provisions of the Civil Code (Cap. 16 of the laws of Malta) and specific conditions relative to, amongst others:

i. the use of the property and operations to be conducted therefrom;
ii. alternations to and improvements to the property;
iii. maintenance of the property;
iv. insurance cover over the property, works conducted thereon, public liability, employers' liability;
v. compliance with Maltese law;
vi. access to the property;
vii. minimum number of employees to be retained;
viii. restrictions on the granting of servitudes over the property;
ix. restrictions on the granting of sub-emphyteutical grants over the property;
x. the right to transfer, dispose of, lease or otherwise transfer the right of possession or control over, the property, subject to obtaining the approval of INDIS and the payment of *a laudemium*;
xi. causes for termination and events of default for the purposes of the Emphyteutical Deed;
xii. rights upon termination; and
xiii. the right of the emphyteuta to hypothecate the property.

In terms of the Emphyteutical Deed, the Hal Far Factory could only be used for industrial projects and ancillary operations which create an adequate number of jobs and are of benefit to the economy, as approved by INDIS.

In terms of the provisions of article 2010(a) of the Civil Code, INDIS is a privileged creditor over the Hal Far Site, for the debt due to it by JD Operations as emphyteuta in respect of ground rent payable, and performance of the other obligations arising from, the Emphyteutical Deed. Accordingly, in the event of failure by JD Operations to fulfil its obligations towards INDIS in accordance with the terms of the Emphyteutical Deed, INDIS may seek recourse to the Hal Far Site.

6.2.3 REORGANISATION PHASE: ESTABLISHMENT OF THE JD CAPITAL GROUP AND ORGANISATION OF BUSINESS LINES

In 2018, a reorganisation and rebranding exercise was undertaken, aimed at acknowledging the accelerated growth and diversification of the business activities and industry sectors that JSDimech was active in. Moreover, the reorganisation allowed the operations of the wider group (the group of companies of which JD Holdings is the parent company) to be streamlined so as to better differentiate between operating activities per se and real estate activities, as well as to enable the group to optimise its short-term and long-term financing strategies, distinguishing between short-term credit financing for its operational activities, in contrast with its debt financing structure for its capital expenditure and investment activities.

This reorganisation ultimately led to the formal establishment of the JD Capital Group, with the key milestones being those as described hereunder:

Transfer of Business from JSDimech to JD Operations

A new entity, JD Operations, was established in 2017, for the purpose of taking over the core business activities of the group. To this end, and by virtue of a transfer of business agreement entered into between JSDimech (as seller) and JD Operations (as buyer), dated 8 March 2018 (the "**Business Transfer Agreement**") pursuant to which the business of JSDimech, including its property, plant, equipment and machinery deployed in the operations of the business, was acquired by JD Operations as a going concern for a total consideration of €11.9 million. Furthermore, JSDimech granted JD Operations an exclusive and perpetual commercial licence to use the intellectual property rights pertaining to JSDimech, including the brand, logo, and tradename 'JSDimech'.

At the time of the Business Transfer Agreement, JSDimech and JD Operations were related parties. This is still the case as at the date hereof. Despite not forming part of the JD Capital Group, JSDimech is considered as a related party to the Group in terms of International Accounting Standard (IAS) 24 due to the fact that the ultimate beneficial owner of the Group, Mr Josef Dimech, is also the ultimate beneficial owner of JSDimech, and accordingly exercises control over both entities.

Transfer of Birkirkara Plot from JSDimech to JD Birkirkara

In line with the strategy of segregating the operational and property investment activities of the group, by virtue of a contract of sale dated 1 December 2017, JSDimech transferred the Birkirkara Site unto JD Birkirkara, at a consideration of €4.0 million, for the purpose of holding the said land as investment property and subsequent development thereof.

JD Capital Group goes public on the SME Prospects MTF market - issue of bonds on the Prospects MTF Market of the MSE

Given the volume of the operational activities of JD Operations, as well as the pipeline of committed and expected projects at the time, the Company issued €5,000,000 5% unsecured bonds of a nominal value of €100 per bond and redeemable in 2028 pursuant to a company admission document dated 16 May 2018. The unsecured bonds issued as aforesaid were eventually bought back and cancelled by the Company pursuant to the Secured Bond Issuance Programme described in section 6.2.4 below.

6.2.4 EXPANSION PHASE: INVESTMENT IN HAL FAR FACTORY AND DEVELOPMENT OF BIRKIRKARA OFFICE COMPLEX

With a view to further expand the Group's business, the Company issued €14,000,000 4.85% secured bonds of a nominal value of €100 per bond and redeemable in 2032 and issued €11,000,000 6% secured bonds of a nominal value of €100 per bond and redeemable in 2033, pursuant to the final terms issued under the Secured Bond Issuance Programme, dated 3 October 2022 and 16 June 2023 respectively.

Investment in the Hal Far Factory

With the steady growth in the production and manufacturing activities of JD Operations, as well as the nature and volume of projects for which JD Operations has been engaged and expects to be engaged to carry out, in 2021 the Group took a strategic decision to further invest in the operational capacity and capabilities of the Hal Far Factory. This investment complimented JD Operations' plans to expand further in industrial activities which are related to its legacy business.

To this end, on 29 September, 2021, JD Operations obtained a development permit (application number DN/00886/21) to increase usable area of the Hal Far Factory from *circa* 16,245m^2 (of which *circa* 5,308m^2 was built up area) to *circa* 27,011m^2 (of which *circa* 21,534m^2 was due to be built up area). Such development plans were due to require a capital expenditure investment programme of €12.0 million, which amount was to be funded through part of the proceeds raised from the Secured Bond Issuance Programme. As is further described in section 6.2.5 below, on 14 September 2023, JD Operations obtained a development permit (application number DN/00935/23) to modify the planned construction from what had been originally approved.

Birkirkara Office Complex

JD Birkirkara submitted a development permit application for the development of the Birkirkara Site into a commercial office block, comprised of *circa* 4,000m^2 of office space over six overlying floors, together with 127-car spaces over six underlying floors, for a total built up space of 10,000m^2. The Group submitted a development request (PA/04895/16) on 23 June 2016 to remove the existing columns stubs and excavate the Birkirkara Site a depth of 18m. This application was followed by another development request (PA/04369/19) for six-car park levels, a store and six floors of Class A offices. To this end, JD Birkirkara obtained development permits relative to both above applications on 31 August 2022.

The development of the Birkirkara Office Complex is being financed through a capital expenditure investment of €4.0 million, which was funded in full by the proceeds raised from the Secured Bond Issuance Programme. Commencement of development works was stalled for a period of around one year due to concerns raised by owners of neighbouring properties which have since been fully addressed.

As at the date of this Registration Document: all contractors are in place and constructions materials have been pre-ordered; expressions of interest have been received for *circa* 70% of the Birkirkara Office Complex; works are in progress and expected to be completed in 2026, and the Group expects to generate rental income as from H2 2026.

6.2.5 DIVERSIFICATION PHASE: INVESTMENT IN 3PL SERVICE OFFERING

As explained in section 6.2.2 of this Registration Document, the Hal Far Factory was originally granted by INDIS unto JSDimech under title of lease as from late 2011 following a period of two years in which such company occupied the premises on an encroachment basis. On 6 March 2018, the lease agreement was substituted in its entirety by a deed of temporary emphyteusis in the records of Notary Dr Vanessa Pool entered into between INDIS and JD Operations, by virtue of which the Hal Far Site and the buildings making up the Hal Far Factory were granted unto JD Operations under the Emphyteutical Deed.

On 21 March 2022 INDIS had approved in principle the right of JD Operations to lease the Hal Far Site, provided that:

- the design of the development at Hal Far Site will be directed towards the maximisation of land resources;
- leasing will be limited to industrial projects which create an adequate number of jobs and are of benefit to the Maltese economy;
- preference in choosing the lessee is to be given to holders of letters of intent issued by Malta Enterprise pursuant to the Business Promotion Act;
- a premium will be payable to INDIS by the JD Operations; and
- any undertaking designated by INDIS shall be given the right of first refusal.

In the ensuing period the Board of Directors and senior management explored the prospect of operating the Hal Far Site for a purpose other than leasing, specifically 3PL. To this end, JD Operations submitted a request to Malta Enterprise to operate the Hal Far Site in the logistics sector. This transition from a lease-based model to the provision of 3PL services is the result of a diversification initiative explored by management and the Board of Directors intent on adding logistics as a new strategic business line to the legacy manufacturing core business and property rental business of the Group. The increased demand for industrial and commercial storage facilities in Malta's supply chain, coupled with the capacity created by the unique investment afforded by JD Operations, provide the right dynamics for this new business line. Additionally, by expanding into the logistics sector and providing such services, any potential revenues from this space will be the result of the Group's own operations, and reduce reliance on third parties.

Whereas permission had originally been granted for JD Operations to use the industrial space for the production of stainless steel products, wrought iron, steel fabrication, aluminium and glass products, spray painting and related products, on 1 September 2023 Malta Enterprise granted JD Operations permission to use the Hal Far Site for the following additional purposes: provision of supply chain management services, order fulfilment, and ancillary operations through the temporary storage and warehousing of third-party goods, materials, commodities, equipment, plant or machinery and to carry out related operations such as break-bulk, unbundling, mixing, packaging and repackaging. Following receipt of the aforementioned permission, the Board of Directors authorised management to further assess the implications of adopting this new business plan. Satisfied with the result of the market research, it was decided that JD Operations shall initially focus on the provision of 3PL managed warehousing services however may consider expanding and diversifying its service offerings further in the supply chain management services.

The above modifications to the Group's business plan entailed the conversion of the Hal Far Site to cater for both the Group's legacy business (manufacturing) and the proposed new managed warehousing services to be provided. New development permits DN/00298/23 and DN/00935/23 were obtained, pursuant to which the Har Far Site is being developed into a total built area of 19,495m^2 (with a lesser footprint over the previous plans but with an increase in volume capacity of 40%) and with an additional external area of 4,512m^2. These areas shall be comprised of:

- an industrial facility measuring *circa* 8,939m^2;
- an external industrial storage area of *circa* 2,314m^2;
- a warehouse area of *circa* 7,124m^2, having a clear height of 17m;
- a storage area of *circa* 1,837m^2 and having a clear height of 6.5m;
- an external storage and circulation area of *circa* 2,198m^2; and
- an office area of *circa* 1,595m^2.

Compared to the original Hal Far Factory (prior to the previous development plans), the above represents an increase in built up area from 5,308m^2 to 19,495m^2. Additionally, contrary to said original plan for the development of the Hal Far Factory, the development of the Hal Far Industrial Facility is not split into any phases.

The warehousing area of the Hal Far Industrial Facility is expected to be 50% complete and functional by Q4 2025, and fully completed in Q4 2026.

With a view to bring its pay-as-you-use managed warehousing service offering to fruition, the Group has employed personnel having in aggregate over 50 years of accumulated experience in logistics management. The Group has also identified and will be investing in industry leading VNA lifters and shelving equipment as well as implement automation in the Hal Far Industrial Facility through a top-rated warehousing management system. The expected customer benefits of a pay-as-you-use warehouse service which have been identified by the Group include, however are not limited to: the absence of fixed or sunk costs; a specifically designed accessible and strategically located facility between the airport and the freeport; storage ancillary services including loading, unloading, break-bulking, and kitting services; real-time reporting on stock levels, movements, obsolescence, and reordering; security, data protection and digital and operational resilience; and auditable internal controls and traceable perpetual stocktaking procedures.

The modified plans have resulted in an increase to the envisioned cost of construction from €12 million as originally projected in the lease-based model (and as already raised pursuant to the Secured Bond Issuance Programme), to €19 million. The difference of €7 million is being funded through the Bond Issue, as further described in section 4.1 of the Securities Note. Costs have increased as a result of the addition of the 3PL service offering. Additional capital expenditure includes: material handling equipment (VNA reaching up to 17m height); racking for 28,000 pallet spaces with fire safety in-rack sprinklers; water reservoirs; and new best-of-breed IT infrastructure.

6.2.6 DIVERSIFICATION PHASE: INCORPORATION OF JD REAL ESTATE DEVELOPMENT

JD Real Estate Development was incorporated on 20 November 2023 as a fully owned subsidiary of the Issuer whose principal activity is to act as a property investment company for the Group. JD Real Estate Development was created as the property division of the Group, integrating the real estate business interests and experience which Mr Josef Dimech had cultivated over the years through various special purpose vehicles, most of which jointly with third party partners, into the Group. As is further set out hereunder, JD Real Estate Development grew its portfolio through direct acquisitions as well as a result of a reorganisation exercise which consolidated the asset-owning companies previously owned by Mr Josef Dimech personally, into the Group. With respect to the latter, specific to the Skorba Mansions and the Msida Hotel, the Group acquired the shares of the entities with said underlying real estate assets from Mr Josef Dimech through share for share exchanges explained in further detail below.

Ta' Monita Residence - issue of Private Placement notes

JD Real Estate Development acquired its first asset on 7 February 2024, consisting of a site with a total area of 4,863m^2 at the Ta' Monita Residence, which site includes: (i) seven apartments forming part of the same block of apartments, the air space overlying two other blocks of apartments, a garage, and surrounding open spaces, gardens, passages and pathways; and (ii) the pool area measuring approximately 1,000m^2 (the "**Ta' Monita Properties**"). The acquired property, which has a potential developable area of *circa* 6,600m^2 of residential apartments and *circa* 2,100m^2 of underlying basement garages, was acquired with the intention to hold as an investment property. The Ta' Monita Properties are situated in a special designated area, and is thereby exempt from the restrictions to acquisition which non-Maltese and non-EU nationals are subject to. As set out in the Property Valuation Reports, in its current state, the Ta' Monita Properties have an estimated open market value of *circa* €11.5 million.

The Group's objective is to redevelop the whole project, to modern, high standard residencies with the least inconvenience possible to existing residents. The Group is in negotiations with existing tenants with a view to come to an agreement which will enable full maximisation of the Ta' Monita Properties. Notwithstanding whether these negotiations come to an agreeable conclusion, JD Real Estate Development shall be applying for permits to redevelop the Ta' Monita Properties in 2025. Should the full maximisation set out in the Property Valuation Reports be possible, once completed, the estimated open market value of the Ta' Monita Properties will be in the region of *circa* €44.0 million, with 50% of sales intended to be completed by FY2030.

The purchase of the Ta' Monita Properties was part financed through the proceeds raised from the Private Placement.

Ta' Borżi – Żebbiegħ

On 2 July 2024, JD Real Estate Development acquired its second property, a piece of land having a superficial area of *circa* 527m^2, accessible and situated in Triq Sir Temi Zammit, corner with Triq l-Iskorba, Mġarr, Malta including its relative airspace and subsoil (the "**Ta' Borżi Site**"). Permission has been granted under development permit PA/03741/22 to demolish the existing dilapidated building forming part of the Ta' Borzi Site and construct a basement garage with 12 car spaces, two apartments and a maisonette at ground floor level, three apartments per floor at first, second, and third floor levels, and two apartments at receded floor level with a total residential build up area of *circa* 1,840m^2 and underlying garages of *circa* 464m^2. The intention of the Group is to hold these properties for trading. An assessment conducted by Ms Melanie Spiteri, Architect and Civil Engineer B.E.&.A (Hons), an independent architect engaged by the Issuer, concluded that the Ta' Borżi Site has a current estimated open market value of *circa* €3.8 million and, once completed (including façade finishes, internal and external apertures, internal and external rendering, internal and external flooring, and bathrooms), the estimated open market value will be in the region of *circa* €6.8 million.

The acquisition of the Ta' Borżi Site was financed partly through own funds and partly through bank financing. Ms Melanie Spiteri has given, and has not withdrawn, her consent for the inclusion of the above conclusion in this Registration Document.

Ħal Għaxaq Site

On 3 October 2024, JD Real Estate Development acquired its third property, a site having a superficial area of *circa* 1,878m^2, accessible and situated at Triq iz-Zejtun, corner with Wesgha ta' Bir id-Deheb, Ghaxaq, Malta including its relative airspace and subsoil (the "**Ħal Għaxaq Site**"). Permission has been granted under development permit PA/01864/23 to excavate the vacant plot and construct two basement levels including 68 garages, nine Class 4B shops, 10 maisonettes, and one apartment at ground floor level, 20 apartments on first floor level, 19 duplex apartments and one apartment and a washroom over second and receded floor level, including construction of pools on receded floor level. An assessment conducted by Ms Melanie Spiteri, Architect and Civil Engineer B.E.&.A (Hons), an independent architect engaged by the Issuer, concluded that the Ħal Għaxaq Site has a current estimated open market value of *circa* €9.2 million, once completed (including façade finishes, internal and external apertures, internal and external rendering, internal and external flooring, and bathrooms), the estimated open market value will be in the region of *circa* €22.5 million. Ms Melanie Spiteri has given, and has not withdrawn, her consent for the inclusion of the above conclusion in this Registration Document.

The acquisition of the Ħal Għaxaq Site was financed partly through own funds and partly through bank financing.

Żejtun Site

It is expected that JD Real Estate Development shall acquire its fourth property in Q2 2025, presently consisting of a disused farm, together with other residential properties and garages at a corner site between Triq l-Isqof Emmanuel Galea, Triq Id-Duluri, and Triq Mons. Mikiel Spiteri, Zejtun, Malta, including the relative airspace and subsoil (the "**Żejtun Site**"). Permission has been granted under development permits PA/581/24 and PA/582/24 to demolish the existing buildings, excavate and erect a block of apartments consisting of three levels of underground parking with 73 garages and 67 apartments and shops Class 4B set at ground, first, second, third, and fourth floor levels. An assessment conducted by Ms Melanie Spiteri, Architect and Civil Engineer B.E.&.A (Hons), an independent architect engaged by the Issuer, concluded that the Żejtun Site has a current estimated open market value of *circa* €7.1 million, once completed (including façade works, common parts, and all external apertures), the estimated open market value will be in the region of *circa* €23.3 million. Ms Melanie Spiteri has given, and has not withdrawn, her consent for the inclusion of the above conclusion in this Registration Document.

The acquisition of the Żejtun Site shall be financed through bank financing.

Skorba Mansions

On 25 November 2024 Mr Josef Dimech transferred 100% of his shareholding in J&J Development, representing the entire issued share capital of J&J Development (hereinafter, the "**J&J Development Shares**"), to JD Holdings in exchange for the issue and allotment of 26,645 ordinary shares having a nominal value of one Euro (€1.00) each in JD Holdings. JD Holdings subsequently transferred the J&J Development Shares to the Issuer in exchange for the issue and allotment of 26,645 ordinary shares having a nominal value of one Euro (€1.00) each in the Issuer, following which the Issuer transferred the J&J Development Shares to JD Real Estate Development in exchange for the issue and allotment of 26,645 ordinary shares having a nominal value of one Euro (€1.00) each in JD Real Estate Development.

J&J Development is the parent company and sole shareholder of Skorba Developments, which owns the 89 underground garages and five parking spaces set on four basement levels, including a substation, 2 maisonettes and 42 apartments set on 4 floors, 9 penthouses over 1 receded floor and roof pools, constructed in shell form on the divided portion of land having a superficial area of *circa* 2,197m^2 including its relative subsoil and airspace having its facades on and is accessible from Triq Ras il-Gebel and another unnamed road which abuts unto Triq il-Fuhhar l-Ahmar in Zebbiegh, limits of Mgarr, Malta (the "**Skorba Mansions**"). The total residential built up area spread over 5 levels is of *circa* 8,301m^2 and whereas the area of underlying garages and parking spaces spread over 4 levels is of *circa* 4634m^2.

The development of the Skorba Mansions is being made pursuant to permits PA/7437/17 and PA/07356/23 and has been completed in shell form, having an estimated open market value in terms of the Property Valuation Reports of *circa* €19.0 million in its current state. The Group expects that the Skorba Mansions will be completed, including both internal and external finishes, by Q4 2025. As set out in the Property Valuation Reports, once completed, the estimated open market value of the Skorba Mansions will be in the region of *circa* €30.7 million.

As at the date of this Registration Document, 33 apartments, 10 garages, and 1 parking space forming part of the Skorba Mansions have already been the subject of promises of sale or final deeds of sale, as applicable. Skorba Developments intends to rescind the promise of sale agreement entered into with a third-party company on 28 December 2023 with respect to the sale of 10 apartments and 4 penthouses forming part of the Skorba Mansions, for which the sum of €3,200,000 had been paid as a deposit. Skorba Developments had entered into such promise of sale agreement with a view to deploying the deposit received therefrom to part facilitate the acquisition of the Ta' Monita Properties. The recission of said promise of sale agreement shall allow for the sale of the properties subject thereto at current open market value, the financial upside of which has been estimated by management as *circa* 107% of the cost of the rescission (being the difference between the current prices quoted for the properties that are the subject of the promise of sale agreement and the cost of the rescission, as a percentage of the cost of recission) in favour of the Group. Following the recission, 19 apartments, 10 garages, and 1 parking space will remain subject to promises of sale or final deeds of sale.

The Group expects to conclude all sales within the next two years. The remaining works are being financed through own funds.

Msida Hotel

On 25 November 2024 Mr Josef Dimech transferred 100% of his shareholding in IVIVIV Holdings, representing the entire issued share capital of IVIVIV Holdings (hereinafter, the "**IVIVIV Holdings Shares**"), to JD Holdings in exchange for the issue and allotment of 2,107,995 ordinary shares having a nominal value of value of one Euro (€1.00) each in JD Holdings. JD Holdings subsequently transferred the IVIVIV Holdings Shares to the Issuer in exchange for the issue and allotment of 2,107,995 ordinary shares having a nominal value of one Euro (€1.00) each in the Issuer, following which the Issuer transferred the IVIVIV Holdings Shares to JD Real Estate Development in exchange for the issue and allotment of 2,107,995 ordinary shares having a nominal value of one Euro (€1.00) per share in JD Real Estate Development.

As a result, as of 28 November 2024, JD Real Estate Development indirectly acquired ownership of the site at no. 53, 54, 55, 56, and 57, Xatt tal-Imsida/Triq Clarence, Msida, presently consisting of the already constructed ground floor and first floor level, being developed into a class 3B Hotel with 11 floors comprising 107 rooms pursuant to permits PA852/18 and PA393/22 (the "**Msida Hotel**"), which asset is owned by J&J Hotel Operations, a wholly owned subsidiary of IVIVIV Holdings. The Msida Hotel shall be located adjacent to the Msida seafront, having a total build up area of *circa* 7,000m^2. The intention is for the Msida Hotel to be rented to a third-party operator by FY2027, who will manage the Msida Hotel as a three-star hotel. As set out in the Property Valuation Reports, the Msida Hotel has an estimated open market value of *circa* €10.0 million in its current state. The Group expects that the Msida Hotel will be constructed, in shell form, by end Q4 2025, and finished and operational by FY2027. As set out in the Property Valuation Reports, once completed, the estimated open market value of the Msida Hotel will be in the region of €18.4 million.

Villa Delfini

As further set out under section 4.2 of the Securities Note, up to €2,535,000 shall be on-lent to JD Real Estate Development for the acquisition of Villa Delfini. Permission has been granted under development permit PA/3675/23 to demolish the existing villa, excavate and construct an underlying basement, pools, and erect 2 semi-detached villas. At basement level each villa will have its own garage, at ground floor level each have a large open plan, whereas three bedrooms will be situated at first floor level, two of which having an en-suite and walk-in wardrobe. Demolition is expected to commence in FY2025 and completed within one year therefrom. As set out in the Property Valuation Reports, Villa Delfini has a current estimated open market value of *circa* €3.2 million and, once completed, the estimated open market value will be in the region of *circa* €6.9 million.

6.2.7 CONSOLIDATION OF THE THREE PILLAR BUSINESS MODEL

The JD Capital Group has evolved considerably since its inception as one solely dependent on the manufacturing business. Having consolidated its position in the Maltese market in the area of manufacturing, the Group expanded into the real estate sector which is now represented by JD Real Estate Development. A further diversification with the introduction of the 3PL service offering, undertaken by JD Operations, has resulted in the Group's business encompassing the three business pillars described earlier in this section. The Board considers that following the abovementioned reorganisation and diversification undertaken by the Group, it is expected that the business streams shall remain focused on growing and further developing the three business pillars set out above.

6.3 Key Projects Delivered by the JD Capital Group and Ongoing Major Projects

The core operational activities of the JD Capital Group are undertaken by JD Operations, the operating subsidiary of the Group engaged in the aluminium, steel and glass industries. Today, JD Operations employs over 100 individuals, making it one of the largest local operators in this industry.

JD Operations has garnered a strong reputation in the market for delivering a considerably large portfolio of large scale and complex aluminium, steel and glass works projects, ranging from installations of entire steel and stainless steel structures (including apertures, partitions, and railings) aluminium works, structural glazing for facades or roofing, curtain walling, cladding, louvering, specialist painting, automatic doors (hinged, sliding or revolving), glass work, glass skylights and flooring, solar shading, and other steel, aluminium, or glass installations.

JD Operations is involved in various phases of the project including design, fabrication, manufacturing, and processing of the necessary goods, supplies and other materials, to the delivery, installation, and project implementation phase, including civil and structural works, as well as internal and external finishings. JD Operations has undertaken a number of landmark projects across commercial, retail, and residential units for both private and public or government entities, with some of its landmark projects including those listed hereunder:

	COMPLETED PROJECTS	LOCATION	YEAR OF COMPLETION
1.	**Mgarr Sea Passenger Terminal**	Mgarr, Gozo	2007
2.	**Joinwell Flagship Department Store**	Qormi	2008
3.	**TG Complex (Deloitte Malta)**	Mriehel	2009
4.	**The Atrium homestore**	Mriehel	2010
5.	**The George Hotel**	St. Julian's	2010
6.	**MCM Aircraft Hangar**	Luqa	2010
7.	**Gauci Automobiles Showroom**	Birkirkara	2010
8.	**Pender Gardens**	St. Julian's	2011
9.	**Barrakka Lift**	Valletta	2012
10.	**RS2 Software**	Mosta	2012
11.	**MCAST Campus**	Paola	2012
12.	**Fort Cambridge**	Sliema	2012
13.	**Smart City (Phase II)**	Kalkara	2013
14.	**MIDI Tigne Point Q1**	Sliema	2015
15.	**Intercontinental Hotel**	St. Julian's	2016
16.	**Baystreet Hotel**	St. Julian's	2016
17.	**Hugo's Boutique Hotel**	St. Julian's	2016
18.	**Approved Office Building**	St. Julian's	2016
19.	**Central Bank of Malta**	Valletta	2017
20.	**Salini Resort**	Salini Coastline	2017
21.	**MIDI Tigne Point T14 - The Centre**	Sliema	2017
22.	**Pender Gardens (T1/T2/B17)**	Sliema	2018
23.	**Waterfront Hotel**	Gzira	2018
24.	**Hugo Hotel**	St. Julian's	2018
25.	**MITA Head Office**	Blata L-Bajda	2018
26.	**Malta Aquarium Centre**	Qawra	2018
27.	**14 East Tower**	Gzira	2019

COMPLETED PROJECTS		LOCATION	YEAR OF COMPLETION
28.	Bilom Apartment Block	Gzira	2019
29.	KPMG Head Office	Maida	2019
30.	Centreparc Shopping Centre	Marsa	2019
31.	Crane Currency	Hal Far	2019
32.	Playmobil Factory	Hal Far	2019
33.	BT Commercials Head Office	Mriehel	2020
34.	KIA Showroom	Qormi	2020
35.	Cavalli Mansions	Qawra	2020
36.	Baystreet Hotel Zone B	St. Julian's	2020
37.	Fimbank Head Office	St. Julian's	2020
38.	Pinto Business Centre	Qormi	2020
39.	St. Vincent de Paul Home	Marsa	2020
40.	Hyatt Regency Hotel	St. Julian's	2020
41.	Fafner House	Blata L-Bajda	2021
42.	Marina Di Valletta	Pieta'	2021
43.	Panorama Hotel	Mellieha	2021
44.	Y&P Building	Naxxar	2021
45.	Halmann Apartments	Mellieha	2021
46.	Young Investments Ltd	Handaq	2021
47.	EPAM JV	Luqa	2021
48.	Offshore Suites	St. Julian's	2023
49.	The Ferris Business Centre	Sliema	2023
50.	Land's End	Sliema	2022
51.	Palm Court	Qawra	2023
52.	Ivory Apartments	Bugibba	2023
53.	Hotel (Bugibba)	Bugibba	2023
54.	Clover Apartments	St. Paul's Bay	2023
55.	Avenue 77	Mriehel	2023
56.	Burmarrad Commercials	Marsa	2023
57.	The Quad Towers	Mriehel	2024
58.	Empire Hotel	St Julian's	2024

Such projects included the provision of services such as: steel works; aluminium works; PVC works; fabrication and installation of stainless steel apertures, steel and stainless steel railings, glazed partitions and louvers; façade cladding; construction of steel structures; and manufacturing, installation and finishing of offices.

ONGOING PROJECTS		LOCATION
1.	**Trelleborg**	Hal Far
2.	**Ramla Bay Hotel**	Mellieha
3.	**Halland Apartments**	Swieqi
4.	**Gozo Museum**	Rabat, Gozo
5.	**MFA**	Ta' Qali
6.	**Hotel (Msida)**	Msida

Through its successful implementation of projects entrusted to it, often subject to tight delivery deadlines, JD Operations has been involved in some of the most avant-garde and unique structural designs, setting new standards for the local industry. JD Operations' diverse projects and involvement in iconic buildings has demonstrated its capabilities of working with a range of building structures, each with their own unique challenges and complexities, utilising the latest technologies and materials to ensure high quality fitting and installations.

7. TREND INFORMATION

7.1 Trend Information of the Issuer

In view of the Issuer's purpose of acting as a financing company to the Group, its business is limited to the raising of capital for the financing of capital projects and the loaning of such capital to, or otherwise investing in, entities forming part of the Group, the collection of interest from Group entities and the settlement, in turn, of interest payable on capital raised from third parties, including the payment of interest payable by the Issuer in respect of the Secured Bonds.

The Issuer is thus dependent on the business prospects of the Group and, therefore, the trend information relating to the Group has a material effect on its financial position and prospects.

There has been no significant change in the prospects of the Group since 31 December 2023.

7.2 Trend Information of the Group

Economic Update

The Central Bank of Malta's (CBM) Business Conditions Index (BCI) indicates that in October 2024, annual business activity experienced a slight increase compared to September, remaining close to its historical average observed since January 2000. Similarly, the European Commission's (EC) confidence surveys reveal that sentiment in Malta improved in October, surpassing its long-term average calculated since November 2002. The most significant gains were observed in the industry and services sectors.[4]

According to the EC's economic forecast for Malta, published in November 2024, the Maltese economy is maintaining steady growth, fuelled by strong domestic demand and export performance. Tourism arrivals to Malta continue to rise, while robust employment levels and recovering real wages are supporting consumption. After achieving GDP growth of 5.0% in 2024, the economy is expected to expand by 4.3% in both 2025 and 2026. The government deficit is projected to decline to 4.0% of GDP in 2024 and continue decreasing in 2025 and 2026, although it is anticipated to remain above 3% throughout the forecast period.[5]

[4] *https://www.centralbankmalta.org/site/Publications/Economic-Update-11-2024.pdf?revcount=3879*
[5] *https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/malta/economic-forecast-malta_en*

Trends in the Property Market

In recent years, amidst a broader economic boom lasting several years, real estate prices in Malta have generally risen and remain on an upward trajectory.

Data from the National Statistics Office indicates that the Maltese House Price Index has shown a consistently strong upward trend over time, reflecting sustained growth in housing prices. This positive trajectory in Malta's property market is driven by a mix of global and local macroeconomic factors, such as population growth and international geopolitical developments. In fact, as reported by the National Statistics Office (NSO) of Malta, the population of Malta grew from 421,464 in 2012 to 542,051 in 2022, equivalent to a 28.6% growth in the population over the period.[6] According to Eurostat, Malta is expected to experience the highest population growth among the 27 EU member states between 2024 and 2034, with the population projected to increase by approximately 17.9%.[7]

The growing population will continue to drive demand for essential needs, including housing, thereby potentially serving as a key factor in the upward movement of real estate prices.

Trends in the Logistics Industry

Local Market

Centrally located in the Mediterranean, Malta has long portrayed itself as a bridge between Europe and North Africa. In Q1 2024 Malta has reported an increase in the Gross Domestic Product (GDP) of 4.6% compared to the same quarter in 2023. One of the contributors to this is the increase in external trade with an increase in exports of 3.6% and imports of 1.8%.[8]

Malta's imports largely arrive through Harbour terminals, including Malta Freeport, Valletta and Marsa terminals.

Malta Freeport Terminals

Through the latest available financials, as of 2022 Malta Freeport Terminal registered a throughput of 2,888,685 TEUS (twenty-foot equivalent units) of containers. Transhipments movements equate to 1,557,878 TUES, whilst domestic moves amount to 83,612 TEUS.[9]

Grand Harbour Terminals

Most cargo arriving in Malta and distributed domestically is transported via trailers brought in through Valletta Gateway Terminals. Although public information on this topic is limited, sourced data estimates that in 2023, Malta has received 25,855 trailers, each carrying a full 40-foot container.

Other cargo vessels which call at this port carry imported vehicles and unpacked dry cargo. For the scope of this project, such cargo is not relevant.

Trends in the Tourism and Hospitality Industry

Since the end of the pandemic outbreak, the tourism and hospitality industry have experienced a growth trend with recent statistics showing that year 2023 marked a record 3 million inbound tourists, exceeding 2019 figures by 8.3%.[10] 2024 is also continuing to show growth with the number of arrivals as at Q3 of 2024, exceeding the same period in 2023 by 21%.[11]

The global tourism industry, one of the sectors most affected by the recent pandemic, has shown a remarkable recovery following the lifting of restrictions. By 2023, tourism volumes had exceeded 2019 levels, underscoring the strong demand for accommodation and tourism-related services. Over 2024, Malta recorded a 29% increase in tourist arrivals compared to 2019, ranking 12th on the UN Tourism's list of best-performing destinations worldwide and 3rd within Europe.[12]

[6] *https://nso.gov.mt/intercensal-population-revisions-2012-2021*
[7] *https://ec.europa.eu/eurostat/databrowser/view/proj_23np/default/table?lang=en&category=proj.proj_23n*
[8] *https://nso.gov.mt/gross-domestic-product-q1-2024/*
[9] *https://www.maltafreeport.com.mt/about-us/accomplishments-2/traffic-volumes/*
[10] *Source: Malta Tourism Authority, Press conference, February 2024, based on NSO data*
[11] *https://nso.gov.mt/inbound-tourism-september-2024/*
[12] *https://pre-webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2025-01/Barom_PPT_Jan_2025.pdf?VersionId=y_YdR.m6Zbla2gvfifyN4ACfn_pVNKh_*

The Group's future operational performance is anticipated to be heavily influenced by external market conditions and global developments. Although unforeseen global or local events could affect future development plans and growth projections, the long-term business outlook remains supported by strong trends and optimistic forecasts in the global tourism industry.

Overall, at the time of publication of this Registration Document, the Group considers that generally it shall be subject to the normal business risks associated with the industries in which the Group companies are involved and operate in, or expected to be involved in over the term of the Secured Bonds, as disclosed in the Prospectus 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 Group companies and their respective businesses, at least with respect to the financial year 2024. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus and to consult their independent and professional advisors.

There has been no significant change in the financial performance of the Group since the end of the last financial period for which financial information has been published to the date of this Registration Document.

8. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

8.1 The Board of Directors of the Issuer

The Company's governance principally lies in the Board of Directors, responsible for the general governance of the Company and to set its strategic aims, for its proper administration and management and for the general supervision of its affairs. Its responsibilities include the oversight of the Company's internal control procedures and financial performance, and the review of the Company's business risks, thus ensuring such risks are adequately identified, evaluated, mitigated and managed, whilst opportunities are maximised and pursued appropriately.

The Articles of Association provide that the Board of Directors shall be composed of a minimum of two and a maximum of six directors.

As at the date of this Registration Document, the Board of Directors consists of five Directors who are entrusted with the overall direction, administration, and management of the Issuer. The Board of Directors currently consists of two executive Directors and three independent non-executive Directors.

8.1.1 EXECUTIVE DIRECTORS

Mr Josef Dimech, the ultimate beneficial owner of the Issuer and the Group, is an executive Director who is entrusted with the business development of the Group. Mr Dimech also occupies directorship positions in respect of other companies within the Group. Mr Franco Azzopardi is the second executive Director and is entrusted with the day-to-day management of the Group as the Group Chief Executive Officer (CEO)

The executive Directors are supported in this role by members of the key management team of the Group and benefit from the know-how gained by members and officers of the Group.

8.1.2 NON-EXECUTIVE DIRECTORS

The non-executive Directors' main functions are to monitor the operations and performance of the executive Directors, as well as to review any proposals tabled by the executive Directors. The independent non-executive Directors also bring to the Board of Directors the added value of independent judgment.

As at the date of this Registration Document, the non-executive Directors of the Issuer are Dr Stanley Portelli, Dr Jesmond Manicaro, and Mr Stephen Muscat.

8.1.3 CURRICULUM VITAE OF DIRECTORS

Mr Josef Dimech *(Executive Director)*

Mr Josef Dimech is the ultimate beneficial owner and the former CEO of the JD Capital Group. Mr Dimech relinquished his position as CEO of the Group and retained his position as an executive Director focusing on the business development. He is a Maltese national who gained over 30 years of experience in the business of aluminium, steel and stainless-steel work. Mr Dimech started working in wrought iron at the young age of 16 with his father in a small garage in Msida. What initially was seen as a part-time hobby quickly turned out in regular work with a steady and growing flow of established clients. In 2004, at the age of 25, he set up JSDimech. Since then, Mr Josef Dimech has been the driving force behind the gradual expansion, development and diversification of the JD Capital Group, playing a leading role in formulating and implementing the vision for the Group's long-term growth and development. Mr Josef Dimech has been central to the drive to grow the customer base of the Group, overseeing the Group's evolvement towards large-scale projects.

Mr Franco Azzopardi *(Executive Director and CEO)*

Mr Franco Azzopardi, a Certified Public Accountant with a UK post-graduate MSc in Finance, spent twenty-seven years working in public practice, ten of which with Deloitte Haskins and Sells and later in a firm he co-founded in 1990. In 2007 he exited the firm to contribute more towards the strategic direction of boards of directors. He specialises in corporate strategy, governance, risk and finance. He is a professional director registered as a fellow member of the UK Institute of Directors. He served on boards of directors, Audit, and Risk Committees of regulated, listed and private companies in various sectors including banking, insurance, payments, software and logistics. He is former CEO of the leading logistics company in Malta. His focus there during his ten-year tenure was sustainable growth in shareholder value, highest degree of readiness for public listing, and investor-family governance. As part of his social responsibility, he also personally contributed towards the development of the Malta Institute of Accountants. He is a fellow member of the Institute having served on Council from 2007 until 2019. He was also elected and served as President of the Institute for the term 2015-2017.

Mr Stephen Muscat *(Independent Non-Executive Director)*

Mr Stephen Muscat is a Certified Public Accountant and a graduate of the University of Malta with a BA (Honours) Accountancy degree, a fellow of the Malta Institute of Accountants, the Malta Institute of Taxation and the Institute of Directors (UK). He is the former CEO and Director of Maltacom p.l.c., today GO p.l.c. (C 22334). Mr Muscat is an authorised Company Service Provider serving as a non-executive director of holding and trading companies. He is also a director of locally licensed financial institutions and a bank. Currently, he is a member of the board of directors and, or chairs the audit committee of public bond issuers trading on the Malta Stock Exchange main market. Mr Muscat is also Chairman of the board of directors and Chairman of the Audit Committee of the Issuer.

Dr Stanley Portelli *(Independent Non-Executive Director)*

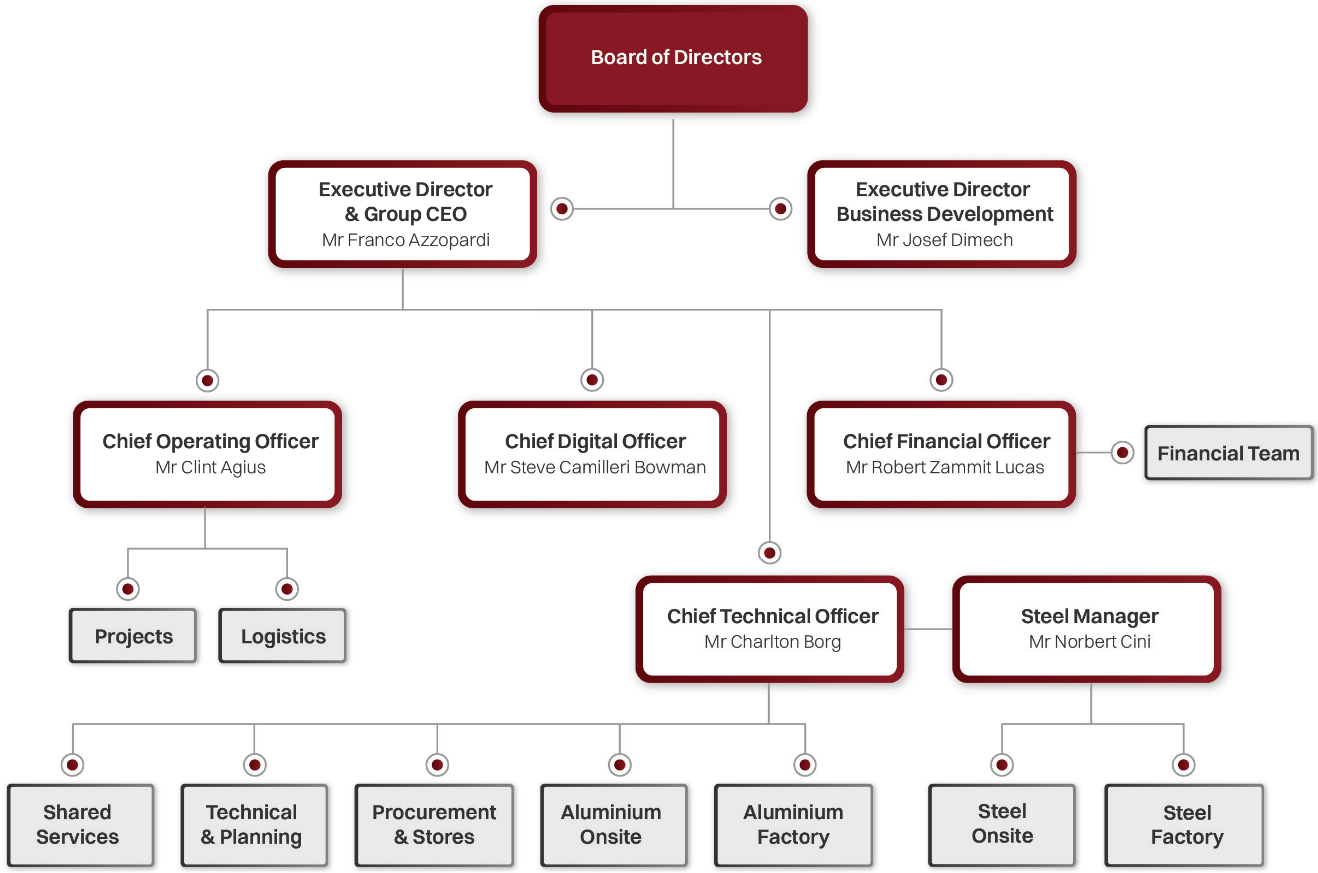
Dr Portelli is a partner of the law firm GS Advocates, based in Sliema, Malta, where his area of practice focuses on assisting corporate clients, leading the Company Service Provider line, as well as employment legislation. Dr Portelli was the CEO of the Malta Maritime Authority, and eventually the Authority for Transport in Malta, from 2009 to 2013.Between 2001 and 2009 he held the position of executive director for Human Resources, Legal and Corporate Affairs, as well as company secretary at Malta Freeport Terminals Ltd, where he was also on the board of directors from 1999 to 2004. From 1994 to 2001, Dr Portelli was employed with the Financial Services Unit at Coopers & Lybrand, and eventually PricewaterhouseCoopers. He was also a director of Malta Investment Management Co Ltd, and Malta Government Investments Ltd between 2004 and 2008.In 2007 he was appointed member of the Port Workers Board representing Malta Freeport Terminals, and in 2008 was appointed member of the Board of the Lotteries and Gaming Authority. Dr Portelli currently serves as a non-executive director on a number of Maltese companies involved in various cross-border and overseas activities, as well as listed and regulated entities. He is also a consultant to a number of family-owned businesses. Dr Stanley Portelli is an independent non-executive Director and a member of the audit committee of the Issuer.

Dr Jesmond Manicaro *(Independent Non-Executive Director)*

Dr Jesmond Manicaro is a legal professional with expertise in commercial, corporate, and civil law. He obtained his Doctorate in Law from the University of Malta in 2003 and holds two Master's degrees from the International Maritime Law Institute and University College London. Dr Manicaro began his career with one of Malta's leading law firms, advising on shipping, aviation, real estate, and insurance. He later headed the legal department of one of Malta's major construction companies, overseeing its extensive restructuring. In 2009, he co-founded a boutique law firm and later established his own practice. Dr Manicaro serves as director and company secretary on several high-profile Maltese companies involved in various cross-border and overseas activities.

8.1.4 SENIOR MANAGEMENT

The Board of Directors is supported by the senior management team of the JD Capital Group, all of whom report directly to the CEO as indicated below. Group operatives in turn report directly to either of the General & Aluminium Manager and the Steel Manager:



Brief *curricula vitae* of the senior management are set out below:

Mr Robert Zammit Lucas, Chief Financial Officer

Mr Robert Zammit Lucas has over 15 years of experience working as a finance professional. Mr Zammit Lucas career is marked by key leadership roles, locally as the Group Head of Finance at a leading logistics company, and internationally as Head of Reporting at an international group of companies operating in the tourism industry. Mr Zammit Lucas is a certified public accountant, a member of the Malta Institute of Accountants, holds the ACCA qualification and is an MBA university graduate. Mr Zammit Lucas also read for a B.Com first degree at the University of Malta. In 2023, Mr Zammit Lucas joined JD Holdings as Group CFO and following the departure of the CFO of the Issuer, he was entrusted with this position as part of his office.

Mr Clint Agius, Chief Operations Officer

Mr Clint Agius experience spans over 20 years in logistics, heavy lifting, haulage operations, courier service, customs clearance, and managed warehouse service at a local leading logistics company where he managed a team of over 80 operatives and administrative personnel. Mr Agius held the position of Head of Domestic Operations, where he was the project leader of various large-scale projects. Mr Agius also served as an advisory board member to the Burdnara Sectional Committee of the Chamber of SMEs between 2014 and 2023, and Chairperson of the Association of Groupage Bond Operators between 2021 and 2023. In 2023 Mr Agius joined JD Holdings Limited as Group COO.

Mr Steve Camilleri Bowman, Chief Digital Officer

Mr Steve Camilleri Bowman's experience spans over 20 years, in the technology industry in strategizing, designing, directing and implementing technology solutions globally. Mr Camilleri Bowman held various key positions as head of software engineering, VP of product and COO office with a prominent European digital technology company, most of which experience within the logistics technology industry. Laser focused in logistics, postal and ecommerce technology solutions, Mr Camilleri Bowman's experience led to multi-geographical landscapes from Europe through to the Caribbean and the US across the postal and parcel world, track and trace, cross-border, parcel forwarding, parcel lockers and delivery ecosystems, first mile, middle mile and last mile, therefore covering all aspects of the technology ecosystems.

The business address of senior management is the same as that of the Issuer.

8.1.5 POTENTIAL CONFLICTS OF INTEREST

As at the date of this Registration Document, Mr Josef Dimech is the sole ultimate beneficial owner of the Issuer and the Group, and sits as a director of the Subsidiaries, being the operating subsidiaries of the Issuer and companies in which Mr Dimech has an ultimate beneficial ownership interest. Accordingly, Mr Dimech is susceptible to conflicts between the potentially diverging interests of the different companies forming of the Group.

Other than those disclosed above, the Directors are not aware of any potential conflicts of interest which could relate to their roles within the Issuer or the Group.

The Memorandum and Articles of Association require any Director who in any way, whether directly or indirectly, has an interest in a contract, arrangement, transaction or proposal with the Issuer, to declare the nature of his interest at a meeting of the Board. Furthermore, said Director shall not be permitted to vote at that meeting in respect of any contract, arrangement, transaction or any other proposal in which he has, either directly or indirectly, a personal material interest. Where appropriate, the Board of Directors also consults the Audit Committee and, or external legal counsel to ensure that situations giving rise to a conflict of interest, actual or perceived, is managed in a suitable and effective manner and in the best interests of the Issuer, in accordance with the Directors' general duties at law and in accordance with the provisions of the Capital Markets Rules governing conflicts of interest and transactions with related parties.

9. BOARD PRACTICES

9.1 Audit Committee

The Audit Committee's primary objective is to assist the Board of Directors in fulfilling its oversight responsibilities over the financial reporting processes, financial policies and internal control structure. The Audit Committee oversees the conduct of the internal and external audit and acts to facilitate communication between the Board, management and the external auditors. The Audit Committee is a sub-committee of the Board of Directors and reports directly to the Board of Directors and the external auditors are invited to attend the Audit Committee meetings.

The Board of Directors has set formal terms of establishment and the terms of reference of the Audit Committee which set out its composition, role and function, the parameters of its remit, as well as the basis for the processes that it is required to comply with. The Audit Committee meets at least four times a year.

The terms of reference of the Audit Committee include:

a. its monitoring responsibility over the financial reporting processes, financial policies and internal control structures;
b. maintaining communications on such matters between the Board, management and the external auditors;
c. preserving the Issuer's assets by assessing the Issuer's risk environment and determining how to deal with those risks; and
d. support to the Board of Directors in its responsibilities in dealing with issues of risk, control and governance, and associated assurance of the Issuer.

In addition, the Audit Committee:

a. has the role and function of evaluating any proposed transaction to be entered into by the Issuer and a related party to ensure that the execution of any such transaction is at arm's length, on a commercial basis and ultimately in the best interests of the Issuer;

b. has the role of assessing any potential conflicts of interest that may arise from time to time, including conflicts between the interests of the Issuer and those of its Directors, including, in particular, the potential situations of conflict described in section 8.1.5 above;

c. has been tasked with ensuring that the total indebtedness of the Group shall, throughout the term of the Secured Bonds, remain within acceptable limits and in any case not exceed 70% of the 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 debt by its equity and debt, every time the entry into a new material non-interest-bearing debt or a new interest-bearing loan is contemplated or, in the absence thereof, at least once every quarter; and

d. has been tasked with ensuring that prior to entering into any additional investment opportunities there are sufficient liquid funds within the Group to cover current contractual obligations as well as privileged creditors for a period of 12 months from the proposed investment date. For this purpose, the Audit Committee has, pursuant to its terms of reference, been granted express powers to be given access to the financial position of the Issuer and all other entities comprising the Group on a quarterly basis. To this end, the Issuer and all other entities within the Group are to submit to the Audit Committee bi-annual financial statements as well as, as a minimum, quarterly comparisons of actual against projected financial accounts; and

e. has been tasked with monitoring liquidity ratios towards ensuring the Group's ability to meet short term obligations and ensure financial stability.

With respect to (e) above, the Audit Committee shall monitor the Leverage Ratio (Net Debt-to-EBITDA) with a view to determining whether it remains below 10x in FY2025 and FY2026, and below 8x thereafter. The Audit Committee shall also monitor the Cash Ratio (Cash and cash equivalents / Current Liabilities) with a view to determining whether it remains above 0.3 from FY2027 onwards.

The Audit Committee shall monitor the adherence by the Group with the thresholds set out in (c) and (e) above on a quarterly basis at a meeting of the Audit Committee. The Audit Committee shall extend an invite to the Security Trustee to attend such meetings of the Audit Committee. Should it result that the thresholds had not been adhered to, the Audit Committee shall promptly inform the Board of Directors for the latter to publish a company announcement informing the market of the discrepancy. In all cases, the corporate governance statement included within the annual financial report shall disclose the extent of the Group's adherence with the thresholds in the respective financial year by reference to any company announcements which would have been published in the preceding year, if any. It is pertinent to note that whereas the statement contained in the corporate governance statement shall be based on audited financial information, the assessments made by the Audit Committee on a quarterly basis would be based on unaudited management accounts which inherently carry a lower degree of reliability.

Any company announcements to be published as aforesaid shall be made in accordance with the below schedule:

Q1	by end May
Q2	by end August
Q3	by end November
Q4	by end February

Provided that should a company announcement not be published within the period indicated in the above table, such would be tantamount to the Board acknowledging that the Group had adhered to the thresholds set out in (c) and (e) above in the respective quarter.

In the event that the Group fails to adhere to the thresholds set out in (c) and (e) above for four consecutive quarters, the Security Trustee shall demand that the Company procures a bank guarantee in the amount of one year's interest on the amount of outstanding Secured Bonds (the "**Ratio-Specific Guarantee**"), and the Company shall procure the Ratio-Specific Guarantee within three months from the date of receipt of the demand therefor by the Security Trustee. The Ratio-Specific Guarantee, which would be in addition to and distinct from the Collateral (as defined and explained in the Securities Note), would be released by the Security Trustee once the thresholds set out in (c) and (e) above are adhered to uninterruptedly for four consecutive quarters from the date of the Ratio-Specific Guarantee. Should the Company fail to procure the Ratio-Specific Guarantee within three months from the date of receipt of the demand therefor by the Security Trustee, the Security Trustee shall immediately call a Bondholders' Meeting (as defined in the Securities Note) where Bondholders shall be given the option to either accept a remediation plan, the details of which would be communicated to Bondholders in the notice convening the meeting, or call an event of default in terms of section 5.11 of the Securities Note.

The Audit Committee is made up entirely of independent non-executive Directors. The Audit Committee is composed of Mr Stephen Muscat (independent non-executive director), Dr Stanley Portelli (independent non-executive director) and Dr Jesmond Manicaro (independent non-executive director). Mr Stephen Muscat is considered by the Board of Directors to be competent in accounting and, or auditing in terms of the Capital Markets Rules. The Chairman of the Audit Committee, appointed by the Board, is entrusted with reporting to the Board of Directors on the workings and findings of the Audit Committee. Mr Stephen Muscat currently occupies the post of Chairman of the Audit Committee.

9.2 Internal Audit

In addition to the above, the Audit Committee of the Issuer is tasked with the setting up and oversight of the internal audit function of the Group. This function acts as an independent internal auditor and provides independent and objective assurances to the Board of Directors through the Audit Committee.

The internal audit function supports the Audit Committee in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the internal risk management, control, and governance processes.

In carrying out the internal audit function role, the internal auditor reports to the Audit Committee on emerging trends and standards in internal auditing at every instance when an audit cycle is completed. The internal auditor shall report to the Audit Committee on a quarterly basis on the progress of any exercise he would have been delegated, provided that a nil report shall be provided to the Audit Committee should no progress be reported in any given quarter. The internal auditor further assists the Issuer in identifying, analysing, responding, gathering information and monitoring strategic risks that could actually or potentially impact the ability of the Issuer and the Group in achieving their objectives and meeting their obligations at law.

As at the date of this Registration Document, the internal auditor of the Issuer is Embark (Malta) Limited (C 91184), of Trident Park, No. 1 Level 4, Notabile Gardens, Mdina Road, Zone 2, Central Business District, Birkirkara CBD2010, Malta.

9.3 Compliance with Corporate Governance

Since the admission to listing and trading of the prospects bonds on the Prospects MTF Market in 2018, as further set out in section 6.2.3, the Issuer has supported and adopted the principles set out in the provisions of the Code of Principles of Good Corporate Governance forming part of the Capital Markets Rules (the "**Code**"). Going forward, the Issuer remains committed to fully support the Code and undertakes to comply with the Code to the extent that this is considered complementary to the size, nature, and operations of the Issuer.

The Company is confident that the application of the Code has resulted, and is expected to continue to result, in positive effects accruing to the Issuer, its management and organisational set-up, its corporate strategy and its *day-to-day* activities.

In view of the reporting structure adopted by the Code, the Company reports, on an annual basis in its annual report, on the level of the Issuer's compliance with the principles of the Code, in line with the "*comply or explain*" philosophy of the Code, explaining the reasons for non-compliance, if any.

As at the date of this Registration Document, the Board of Directors considers the Issuer to be in compliance with the Code, save for the following exceptions:

Principle 7: Evaluation of the Board's Performance (Code provision 7.1)	The Board of Directors has not appointed a committee for the purpose of undertaking an evaluation of the Board's performance in accordance with the requirements of Code Provision 7.1. The Board of Directors believes that the size of the Company and the Board of Directors itself does not warrant the establishment of a committee specifically for the purpose of carrying out a performance evaluation of its role. Whilst the requirement under Code Provision 7.1 might be useful in the context of larger companies having a more complex set-up and a larger Board, the size of the Board of Directors is such that it should enable it to evaluate its own performance without the requirement of setting up an ad hoc committee for this purpose. The Board of Directors shall retain this matter under review over the coming year.
Principle 8A: Remuneration Committee (Code provision 8.A.1) and Nominations Committee (Code provision 8.B.1)	The Board of Directors has not established a Remuneration and, or Nominations Committee. The Board of Directors has formulated the view that the size, structure and management of the Company are such that the establishment of an ad hoc Remuneration Committee is not warranted, and the responsibility for establishment, review and implementation of the Company's remuneration policies has been retained within the remit of the Board of Directors itself. In particular, the current remuneration policy of the Company comprises purely fixed-rate remuneration, with no entitlement to any performance-based remuneration, or any entitlement to share options, retirement pensions benefit or other retirement based benefits. Furthermore, the Board of Directors believes that the procedure for the nominations and appointment of directors as contained in the Articles of Association are commensurate to the size and operations of the Company, and does not consider the requirement to establish an ad hoc Nominations Committee to be necessary for the Company. Instead, the Board of Directors takes on the role of periodically assessing the skills, knowledge and experience of individual directors for the Board of Directors to have the appropriate level of collective skill, knowledge and experience that would endow the Board of Directors with the requisite collective competence for the proper functioning, management and oversight of the Company by the Board.

9.4 Dividend Policy

Since its inception, the Group has distributed a one-off dividend of €527,000. The Issuer has set up a dividend policy wherein dividends may only be distributed depending on, *inter alia*:

a. The profits available for distribution for the year;
b. The Board's view on the prevailing market outlook;
c. Any debt servicing and repayment requirements including financial and other restrictive covenants or agreements in place or entered into during the year;
d. The cashflows for the Group;
e. Working capital requirements; and
f. The requirements of the Act and the Group's continuing obligations.

Without prejudice to the aforesaid, such dividend policy is conditioned in terms of the agreement entered into by the Issuer with JD Holdings which inter alia ensures that in meeting its (JD Holdings') liabilities with the Group, any dividends declared and paid by the Issuer to JD Holdings will be immediately set-off with any outstanding debt balances due by JD Holdings to the Group.

10. SHARE CAPITAL AND MAJOR SHAREHOLDERS

10.1 Shareholding of the Issuer

As at the date of this Registration Document, the authorised share capital of the Issuer is €17,546,700 divided 17,543,621 ordinary shares of a nominal value of one Euro (€1.00) each and 3,079 Ordinary A shares of a nominal value of one Euro (€1.00) each. As at the date of this Registration Document, the issued share capital of the Issuer has been subscribed for as follows:

NAME OF SHAREHOLDER	NUMBER OF SHARES	CLASS OF SHARES	% PAID UP
JD Holdings Limited (C 82095) HHF 303, Industrial Estate Hal Far, Birzebbuga BBG 3000, Malta	9,678,231	Ordinary Shares	100%
Mr Josef Dimech (ID 326179M) Blue Harbour Frobisher, B11 Ta' Xbiex Seafront, Ta' Xbiex, Malta	31	Ordinary Shares	100%
Dr Stanley Portelli (ID 163472M) Dar il-Barbagann, Triq Strejnu, Zejtun, Malta	3,079	Ordinary A Shares	100%

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

The shares of the Issuer are not listed on the Malta Stock Exchange or any other regulated exchange, and no application for such listing has been made to date.

There is no capital of the Issuer which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Issuer is to be put under option. To the best of the Issuer's knowledge, there are no arrangements in place as at the date of this Registration Document which may, at a subsequent date, result in a change in control of the Issuer.

10.2 Major Shareholders of the Issuer

Mr Josef Dimech is the sole ultimate beneficial owner of the Issuer, ultimately holding *circa* 99.996% of the ownership interests of the Issuer: (i) directly as the registered holder of 0.0003% of the issued share capital of the Issuer; and (ii) indirectly as the registered holder of 99.9953% of the issued share capital of the JD Holdings, the immediate parent company and majority registered shareholder of the Issuer.

The Issuer adopts measures in line with the Code with a view to ensuring that the relationship with its major shareholders is retained at arm's length, including adherence to rules on related party transactions set out in Chapter 5 of the Capital Markets Rules requiring the vetting and approval of any related party transaction by the Audit Committee, which is constituted by independent, non-executive Directors. The Audit Committee has the task of ensuring that any potential abuse is managed, controlled, and resolved in the best interests of the Issuer. The composition of the Board, including the presence of three independent, non-executive Directors, effectively minimises the possibility of any abuse of control by any major shareholder, including the ultimate beneficial owner.

With particular reference to the relationship between the Issuer and the ultimate beneficial owner, the Articles of Association provide that a Director shall not vote and shall not be taken into account for the purpose of forming a quorum, in respect of any contract or arrangement or other proposal in which he has a material interest, and if he shall do so his vote shall not be counted.

11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

11.1 Hisotrical Financial Information

This Registration Document contains references to the annual consolidated financial statements of the Group. These refer to the annual consolidated financial statements of the Group for the years ended 31 December 2021, 2022, and 2023. The interim financial information is extracted from the unaudited condensed financial statements for the six-month period beginning 1 January 2024 up to 30 June 2024.

The audited consolidated financial statements shown for FY21, FY22, and FY23 were prepared and presented on a consolidated basis, in line with the applicable accounting policies and principles. The full set of annual financial reports and respective directors and other statutory reports were published and are also available on the Company's web page (www.jsdgroup.mt/investor-relations).

These financial statements have been drawn up in accordance with International Financial Reporting Standards (**"IFRS"**) as adopted by the EU. The financial statements have been audited by the Company's statutory auditors, which for this period was RSM Malta, and the auditor's report thereon comprises a clean and unqualified audit opinion for each of the above periods.

Furthermore, the tables and discussions included in this section contain certain alternative performance measures (as defined by the European Securities and Markets Authority ("**ESMA**"). These non-IFRS financial measures are presented as supplemental information as (i) they represent measures that the Directors believe may be relevant for certain investors, securities analysts and other parties in assessing the Group's operating and financial performance and may contribute to a fuller understanding of the Group's cash generation capacity and the growth of the combined business; and (ii) they may be used by management as a basis for strategic planning and forecasting.

The consolidated financial statements below should be reviewed in the context of the regular company announcements and other public communication of the Company.

The table below provides a cross-reference list of key sections of the financial statements of the Issuer for the financial years ended 31 December 2021, 31 December 2022, 31 December 2023, and for the 6-month financial period ended 30 June 2024:

	31st December 2021	31st December 2022	31st December 2023	30th June 2024
Independent Auditor's Report	pages 10 - 16	pages 48 - 55	pages 60 - 67	N/A
Statement of Financial Position	page 18	page 13	pages 15 - 16	page 7
Income Statement	page 17	page 12	page 14	page 6
Statement of Cash Flows	page 20	page 15	pages 19 - 20	page 9
Notes to Financial Statements	pages 21 - 46	pages 16 - 47	pages 21 - 59	pages 10 - 12

Extracts from the historical consolidated financial information of the Issuer

Consolidated Statements of Profit and Loss	2021	2022	2023	6 Months'23	6 Months'24
	€000s	€000s	€000s	€000s	€000s
	Audited	*Audited*	*Audited*	*Unaudited*	*Unaudited*
Revenue	16,268	11,832	12,965	5,242	8,007
Cost of sales	(13,617)	(9,756)	(10,003)	(3,851)	(6,050)
Gross profit	**2,652**	**2,076**	**2,963**	**1,392**	**1,957**
Selling and distribution	(151)	(141)	(180)	(87)	(62)
Administrative expenses	(776)	(995)	(972)	(345)	(335)
Other income	294	213	239	131	127
EBITDA[13]	**2,018**	**1,154**	**2,049**	**1,091**	**1,687**
Depreciation and amortisation	(863)	(968)	(688)	(348)	(310)
Gain on fair value movement	-	971	-	-	-
EBIT[14]	**1,155**	**1,157**	**1,361**	**743**	**1,377**
Interest income	206	42	51	25	25
Financial costs	(584)	(724)	(1,189)	(638)	(689)
Other losses	(12)	(2)	-	-	-
Expected credit loss provision movement	(297)	(56)	36	87	(40)
Profit before tax	**468**	**418**	**259**	**217**	**673**
Taxation charge	(309)	(199)	(230)	(148)	(355)
Profit for the year	**159**	**218**	**30**	**68**	**319**
Revaluation of land and buildings, net of tax	7,857	-	309	-	-
Total comprehensive income	**8,016**	**218**	**339**	**68**	**319**

Source: Consolidated audited financial statements and unaudited interim financial statements

[13] EBITDA refers to earnings before interest, taxes, depreciation and amortisation
[14] EBIT refers to earnings before interest and taxes

Income statement

Revenue comprised income generated from the design, production and installation of industrial aluminium, steel and glassworks. Revenue averaged €13.7 million between FY21 and FY23, driven by the Group's ability to finalise key projects such as the Quad Towers project as well as the Group's ability to secure new key projects such as Q3 Midi. Revenue in FY23 is primarily composed of the execution of outstanding projects from FY22 and commencement works on the Q3 Midi project.

Cost of sales primarily comprised purchasing of inventory, staff costs, and subcontracting costs. Cost of sales as a percentage of revenue improved consistently between FY21 and FY23; decreasing from 83.7% in FY21 to 82.5% in FY22, and a further decrease to 77.1% in FY23.

The improvement in cost of sales relative to revenue year on year is attributable to operational efficiencies.

The Group generated *circa* €2.0 million in earnings before interest, tax, depreciation and amortisation ("EBITDA") in FY21 and €1.2 million in FY22, representing an EBITDA margin[15] (i.e. EBITDA divided by revenue) of 12.4% in FY21 and 9.7% in FY22. In 2023, the EBITDA margin rose to 15.8%, driven by revenue growth outpacing the increase in cost of sales and improvements in the gross profit margin[16].

Profit before income tax ("**PBT**") declined by €51k in FY22 and €158k in FY23. The decrease in FY22 was mainly driven by the increase finance costs and depreciation of €140k and €105k, respectively, compared to FY21. The decrease in PBT in FY22 driven by movements during the financial year, was partially offset by a one-time gain of €971k resulting from fair value adjustments on the investment property of Birkirkara.

Total comprehensive includes changes in the fair value of land and buildings' surplus net of deferred tax on fair value of land and buildings. In FY21, the Group recognised a revaluation of land and building on the Hal Far Site of €7.9 million as well as an another €309k in FY23.

Interim analysis

Revenue generated throughout the first 6 months of FY24 amounted to €8.0 million compared to €5.2 million generated during the same period of the previous year. The increase in revenue was partially offset by the increase in cost of sales compared to the same period of the previous year leading to a decline in the gross profit percentage from 26.6% to 24.4%.

The Group generated *circa* €1.7 million in EBITDA for the first 6 months of FY24 compared to €1.1 million across the same period in FY23.

Across the same period, the Group reported PBT of €0.7 million which is 210.6% higher than the PBT in FY23 (first 6 months in FY23 PBT amounted to €0.2 million).

[15] *EBITDA margin = EBITDA for the period / Revenue for the period*

[16] *Gross profit margin = Gross profit for the period / Revenue for the period*

Consolidated Statements of Financial Position	Dec21A	Dec22A	Dec23A	Jun24A
	€000s	€000s	€000s	€000s
	Audited	*Audited*	*Audited*	*Unaudited*
Non-current assets				
Property, plant and equipment	23,627	22,812	28,008	28,125
Investment property	4,523	5,494	5,734	12,688
Intangible assets	224	224	224	224
Financial assets at amortised cost	1,619	1,664	1,714	1,739
Trade and other receivables	1,085	2,313	-	-
Total non-current assets	**31,078**	**32,507**	**35,681**	**42,777**
Current assets				
Financial assets at amortised cost	3,151	5,394	9,225	11,512
Inventory	1,529	1,364	1,563	1,788
Contract assets	4,514	6,517	11,141	10,548
Trade and other receivables	6,647	10,813	18,332	17,037
Cash and equivalents	361	891	384	389
Total current assets	**16,202**	**24,979**	**40,645**	**41,274**
Total assets	**47,280**	**57,486**	**76,326**	**84,051**
Equity and liabilities				
Equity				
Share capital	7,547	7,547	7,547	7,547
Revaluation reserve	7,857	7,857	8,166	8,166
Other reserves	-	-	3,200	3,200
Retained earnings	1,183	1,402	1,431	1,750
Total equity[17]	**16,587**	**16,805**	**20,344**	**20,663**
Liabilities				
Non-current liabilities				
Borrowings	7,398	17,050	28,851	33,431
Lease liabilities	3,492	3,447	3,396	3,369
Trade and other payables	3,899	3,564	1,685	2,133
Deferred tax liabilities	1,593	1,638	2,644	2,644
Non-current tax liabilities	508	459	243	695
Total non-current liabilities	**16,890**	**26,158**	**36,818**	**42,272**
Current liabilities				
Borrowings	3,602	3,086	2,809	2,784
Lease liabilities	36	45	51	52
Contract liabilities	2,212	2,890	4,185	6,212
Current tax liabilities	1,080	1,072	952	847
Trade and other payables	6,873	7,430	11,166	11,220
Total current liabilities	**13,804**	**14,523**	**19,164**	**21,116**
Total liabilities	**30,693**	**40,681**	**55,982**	**63,388**
Total equity and liabilities	**47,280**	**57,486**	**76,326**	**84,051**

Source: Consolidated audited financial statements and unaudited interim financial statements

[17] *Total equity does not include the open market value adjustments utilised to reflect updated fair value of properties as per valuation reports provided by independent valuers.*

The Group's assets primarily comprise the Hal Far Site (95.1% of the property, plant and equipment). The Hal Far Industrial Facility makes up to 34.9% of the Group's assets. The increase in the Hal Far in FY23 is due to the revaluation of the Hal Far Site, capitalisation of development costs as well as the capitalisation of borrowing costs. The Group also holds the Birkirkara Site which is classified as an investment property since it was held for appreciation and carried at the revalued amount.

The Group's other principal assets include financial assets mainly comprising a loan from the ultimate parent and a receivable from trading operations. Non-current financial assets at amortised cost as at Dec23 include a loan balance from the ultimate parent of €1.7 million repayable October 2026 and incurs interest at 4.5% per annum. The Group's current financial assets at amortised cost amounted to €9.2 million as at Dec23 mainly include unsecured interest-free, repayable on demand balances with the ultimate parent company as well as other related parties.

Group borrowings of €31.66 million as at Dec23 are primarily due to banks (22.3%) and the amount payable to the holders of the Series 1 Bonds and Series 2 Bonds (77.6%). Interest payable per annum on the bank loans varies from 2.5% to 5.7%, repayable by November 2024. During FY23, the Group obtained an additional loan from a local bank to support working capital needs of €1.5 million.

Equity in FY23 mainly comprised €7.5 million in share capital and €12.8 million in other equity. Other equity as at Dec23 includes revaluation reserve of €8.2 million, retained earnings of €1.4 million as well as other reserves of €3.2 million relating to an assignment of receivable from a related party to the issuer. The increase in total equity in FY23 to €20.3 million is due to the increase in the revaluation reserve driven by the Hal Far Site to €8.2 million.

Interim analysis

The Group's assets increased from €76.3 million to €84.1 million between December 2023 and June 2024 mainly driven by the increase in investment property of €6.9 million, following the acquisition by the Group of the Ta' Monita Properties, and financial assets at amortised cost of €2.3 million, partially offset by the decrease in contract assets and trade and other receivables.

Group borrowings increased between December 2023 and June 2024 by €4.6 million driven by the issue of unlisted unsecured securities of €4.9 million (net of issue costs) and bank overdraft of €3.8 million, partially offset by settlement of a revolving facility of €4.1 million.

Equity remained relatively stable between December 2023 and June 2024 with movements solely relating to the operations.

Consolidated Statement of Cash Flows	2021	2022	2023	6 Months'23	6 Months'24
	€000s	€000s	€000s	€000s	€000s
	Audited	*Audited*	*Audited*	*Unaudited*	*Unaudited*
Cashflow from operating activities					
Profit before tax	468	418	259	217	673
Non-cash charges	1,735	740	1,841	889	1,054
Movement in inventories	(154)	165	(199)	138	(224)
Movement in trade receivables	(7,131)	(9,549)	(7,794)	(995)	1,927
Movement in trade payables	3,619	997	3,226	374	2,527
Net interest expense	(206)	(42)	(116)	(56)	25
Tax paid	(60)	(220)	(430)	(164)	(8)
Net cashflow from operating activities	(1,728)	(7,492)	(3,212)	404	5,974
Investing activities					
Proceeds (payments) for PPE	(215)	(141)	(4,669)	(276)	(7,378)
Proceeds (payments) for IP	(1)	-	(240)	-	-
Net receipts from loans	2,349	-	-	-	-
Movement in investing related party balances	(591)	(45)	(631)	(25)	(2,280)
Net cashflow from investing activities	1,542	(186)	(5,540)	(301)	(9,658)
Financing activities					
Proceeds / (repayment) of borrowings	757	9,534	9,311	(487)	4,467
Proceeds / (repayment) of lease	(34)	(36)	(45)	(22)	(25)
Interest paid	(584)	(805)	(1,200)	(246)	(689)
Movement in related party balances	(104)	8	121	-	(12)
Net cashflow from financing activities	36	8,700	8,187	(754)	3,740
Net change in cash and equivalents	**(151)**	**1,023**	**(565)**	**(651)**	**57**
Cash and equivalents at beginning of period	11	(140)	883	883	318
Cash and equivalents at end of period	**(140)**	**883**	**318**	**231**	**374**

Source: Consolidated audited financial statements and unaudited interim financial statements

The Group's cash flow from operating activities was in a negative position mainly due to movement in working capital items driven by works on key projects undertaken by the Group.

Cash flow from investing activities was positive in FY21 at €1.5 million, largely due to net receipts from loans. In FY23, the Group reported a negative cash flow from investing activities of €5.5 million mainly due to further investment in property, plant, and equipment; the Hal Far Site amounting to €4.7 million.

Financing activities provided significant positive cash flows in FY22 and FY23 mainly driven by proceeds from bond borrowings on the Series 1 Bonds in FY22 and the Series 2 Bonds in FY23. Net cash inflows from financing activities were partially offset by interest and lease repayments.

Interim analysis

The Group's cash flow from operating activities for the first 6 months of FY24 amounted to €5.9 million compared to €0.4 million during the same period of the previous year mainly driven by movements in trade receivable and payable balances.

The Group reported a negative cash flow from investing activities of €9.7 million during the first 6 months of FY24 mainly due to further investment in property, plant, and equipment and investment property amounting to €7.4 million. A further €2.3 million cash outflow was related to movements in amounts due from subsidiaries and related parties.

Financing activities provided positive cash flows in the first 6 months of FY24 mainly driven by the net proceeds from the private placement borrowing. Net cash inflows from financing activities were partially offset by interest and lease repayments as well as net movement in bank borrowings.

The audited financial statements are available on the Issuer's website (www.jsdgroup.mt/investor-relations/) and are also available for inspection at its registered office as set out in section 15 of this Registration Document.

11.2 Significant Change in the Group's Financial or Trading Position

There has been no significant change in the financial or trading position of the Group since 30 June 2024.

11.3 Legal and Arbitration Proceedings

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened or of which the Issuer is aware) during the period covering 12 months prior to the date of this Registration Document which may have, or have had in the recent past, significant effects on the Group's financial position or profitability.

12. ADDITIONAL INFORMATION - MEMORANDUM AND ARTICLES OF ASSOCIATION

The Memorandum and Articles of Association are registered with the Registrar of Companies at the Malta Business Registry. A full list of the objects for which the Issuer is established is set out in clause 4 of the Memorandum.

13. MATERIAL CONTRACTS

Neither the Issuer, nor any of the other companies forming part of the Group are party to any contract that is not in the ordinary course of business of the respective company, which could result in any member of the Group being under an obligation or entitlement that is material to the Group as at the date of this Registration Document.

14. PROPERTY VALUATION REPORTS

The Company commissioned Architect Mr Peter Zammit, on behalf of IAS-Innovative Architectural Structures Limited (C 79087), to issue a property valuation report in relation to the Hal Far Site and Architect Ms Melanie Spiteri to issue property valuation reports in relation to the Skorba Mansions, the Ta' Monita Properties, the Msida Hotel, and Villa Delfini.

The following are the details of the said valuers:

Name:	Mr Peter Zammit IAS-Innovative Architectural Structures Limited (C 79087)
Business address:	Level 4, "Cobalt House", Notabile Road Mriehel BKR 3000, Malta
Qualifications:	B.E&A (Hons) A&C.E. Msc(Surrey) MIStructE CEng

Name:	Ms Melanie Spiteri
Business address:	13, Triq Lorry Sant, Marsascala, Malta
Qualifications:	B.E&A (Hons)

Capital Markets Rule 7.4.3 provides that property valuations to be included in a prospectus must not be dated (or be effective from) more than 60 days prior to the date of publication of the Prospectus. The valuation report in respect of the Hal Far Site is dated 14 March 2025 whereas the property valuation reports in respect of the Skorba Mansions, Ta' Monita Properties, Villa Delfini, and the Msida Hotel are dated 10 March 2025.

The Property Valuation Reports have been included in the form and context in which they appear with the authorisation of architects Mr Peter Zammit and Ms Melanie Spiteri, who have given and have not withdrawn their respective consent to the inclusion of the reports herein. Architects Mr Peter Zammit and Ms Melanie Spiteri do not have any material interest in the Issuer.

A copy of the Property Valuation Reports is available for inspection as set out in section 15 below.

15. DOCUMENTS AVAILABLE

For the duration period of this Registration Document the following documents (or certified copies thereof) shall be available for inspection at the registered address of the Issuer:

a. the Memorandum and Articles of Association;
b. the Property Valuation Reports;
c. the Security Trust Deed;
d. as from the date of admissibility to listing of the Secured Bonds, the Bank Guarantee
e. the financial analysis summary, prepared by the Sponsor & Co-Manager, dated 11 April 2025;
f. the annual financial reports of the Issuer for the years ended 31 December 2021, 2022, and 2023;
g. the interim financial statements of the Issuer for the six-month period ended 30 June 2024; and
h. the audited consolidated financial statements of the Issuer for the years ended 31 December 2021, 2022, and 2023.

These documents are also available for inspection in electronic form on the Issuer's website at https://www.jsdgroup.mt/investor-relations/.

JD Capital plc

JD CAPITAL P.L.C.

11 April 2025

SECURITIES NOTE

SECURITIES NOTE

Dated 11 April 2025

This document is a Securities Note issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules published by the MFSA and in accordance with the provisions of the Prospectus Regulation. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Issuer.

In respect of an issue of

€40,000,000 5.6% Secured Bonds 2035
of a nominal value of €100 per bond, issued and redeemable at par by

JD Capital plc

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA
WITH COMPANY REGISTRATION NUMBER C 82098

ISIN: MT0001831248

THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MFSA, AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THIS MEANS THAT THE MFSA HAS APPROVED THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY AS PRESCRIBED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT, HOWEVER, BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER, WHOSE SECURED BONDS ARE THE SUBJECT OF THIS SECURITIES NOTE. IN PROVIDING THIS AUTHORISATION, THE MFSA DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN SECURITIES OF THE COMPANY, INCLUDING THE SECURED BONDS, AND SUCH AUTHORISATION SHOULD NOT BE DEEMED, OR BE CONSTRUED, AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SECURITIES OF THE COMPANY.

THE MFSA ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER, FOR ANY LOSS HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN ANY SECURITIES ISSUED BY THE COMPANY.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN THE SECURED BONDS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF THE COMPANY AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN FINANCIAL ADVISOR.

SPONSOR & CO-MANAGER	LEGAL COUNSEL	SECURITY TRUSTEE	REGISTRAR & CO-MANAGER	REPORTING ACCOUNTANTS
Calamatta Cuschieri	CAMILLERI PREZIOSI ADVOCATES		BOV Bank of Valletta	RSM

Approved by the Directors

Josef Dimech

In his capacity as Director of the Issuer and on behalf of
Franco Azzopardi, Stanley Portelli, Stephen Muscat, and Jesmond Manicaro.

IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON THE ISSUE OF THE SECURED BONDS BY THE ISSUER IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES OF THE MFSA, THE ACT, AND THE PROSPECTUS REGULATION.

THIS SECURITIES NOTE SETS OUT THE CONTRACTUAL TERMS UNDER WHICH THE SECURED BONDS ARE ISSUED BY THE ISSUER AND ACQUIRED BY A BONDHOLDER WHICH TERMS SHALL REMAIN BINDING UNTIL THE REDEMPTION DATE, UNLESS THEY ARE OTHERWISE CHANGED IN ACCORDANCE WITH THE TERMS OF THIS SECURITIES NOTE. NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, OR ITS DIRECTORS, TO ISSUE ANY ADVERTISEMENT, OR TO GIVE ANY INFORMATION, OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE SECURE BONDS OTHER THAN THOSE CONTAINED IN THIS SECURITIES NOTE AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, ITS DIRECTORS, OR ADVISORS.

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

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

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

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE COMPANY THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE PROSPECTUS OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, NO SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THE PROSPECTUS, NOR ANY ADVERTISMENT 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 PROSPECTUS, OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THE PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

THE SECURED 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.

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

THIS SECURITIES NOTE IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. THE COMPANY IS NOT OBLIGED TO PUBLISH A SUPPLEMENT TO THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES WHICH ARISE FOLLOWING THE LAPSE OF THE PERIOD OF VALIDITY OF THIS SECURITIES NOTE, PROVIDED THAT THE ISSUER SHALL NOT BE OBLIGED TO SUPPLEMENT THIS SECURITIES NOTE SHOULD THE AFORESAID SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES, OR MATERIAL INACCURACIES ARISE OR ARE NOTED FOLLOWING THE LATER OF THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON THE OFFICIAL LIST BEGINS.

A COPY OF THIS SECURITIES NOTE HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE CAPITAL MARKETS RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES AT THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE ACT.

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

ALL THE ADVISORS TO THE ISSUER NAMED IN THE REGISTRATION DOCUMENT UNDER THE HEADING “ADVISORS” IN SECTION 4.2 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS, OR ANY SUPPLEMENT THEREOF.

THE CONTENTS OF THE COMPANY’S WEBSITE, OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE COMPANY’S WEBSITE, DO NOT FORM PART OF THE PROSPECTUS UNLESS SUCH CONTENTS ARE INCORPORATED BY REFERENCE INTO THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE SECURE BONDS.

THE DIRECTORS OF THE COMPANY CONFIRM THAT WHERE INFORMATION INCLUDED IN THE PROSPECTUS HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED AND AS FAR AS THE DIRECTORS OF THE COMPANY ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

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

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1. DEFINITIONS

Words, expressions, and capitalised terms used in this 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, expressed and capitalised terms as indicated in the Registration Document. Additionally, the following capitalised words and expressions shall bear the following meanings, except where the context otherwise requires:

Applicant/s	any person or persons, natural or legal, who subscribes for the Secured Bonds;
Application/s	the application to subscribe for Secured Bonds made by an Applicant/s through any of the Authorised Financial Intermediaries (which include the Sponsor & Co-Manager and the Registrar & Co-Manager);
Authorised Financial Intermediaries	the licensed stockbrokers and financial intermediaries whose details appear in Annex I to this Securities Note and the term "**Authorised Financial Intermediary**" shall be construed accordingly;
Bond Issue	the issue of the Secured Bonds;
Bond Issue Price	the price of €100 per Secured Bond;
Bondholders' Meeting	a meeting of Bondholders held in accordance with section 5.12 of this Securities Note;
Business Day	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
Collateral	the means the following security, collectively, granted in favour of the Security Trustee for the benefit of the Bondholders: i. the first ranking special hypothec granted by JDRED over the Ta' Monita Properties, pursuant to a deed of hypothec to be made in the records of Notary Andre Farrugia; ii. the first ranking special hypothec granted by Skorba Developments over the Skorba Mansions, pursuant to a deed of hypothec to be made in the records of Notary Andre Farrugia; iii. the first ranking special hypothec granted by J&J Hotel Operations over the Msida Hotel, pursuant to a deed of hypothec to be made in the records of Notary Andre Farrugia; iv. up to a maximum of €5,000,000 in Secured Bond proceeds allocated for the purchase of 3PL equipment and infrastructure, as set out under section 4.1.5 of the Securities Note, until such time as the Security Trustee receives a notification in writing by the Issuer that JD Operations shall be purchasing the aforementioned 3PL equipment and infrastructure, supplemented by the relevant purchase order/s (the "**Retained 3PL Proceeds**"); v. the Bank Guarantee; and vi. from financial year ending 31 December 2030, the Reserve Account;

CSD	the Central Securities Depository of the Malta Stock Exchange, having its address at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Events of Default	has the meaning assigned to it in section 5.11 of this Securities Note;
FIMBank	FIMBank p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 17003 and having its registered office at Mercury Tower, The Exchange Financial & Business Centre, Elia Zammit Street, San Giljan STJ 3155, Malta;
FIMBank Facility	the financing facility of a total of €8,500,000 made available to ONEA Properties by FIMBank for the: i. settlement of a banking facility originally granted by a third-party bank to J&J Hotel Operations to part finance the acquisition of the Msida Hotel; ii. financing of up to 35% of the works required for the development of the Msida Hotel; iii. financing of up to 35% of the works required for the development of the Skorba Mansions; and iv. financing, on a 70:30 pro rata basis, the completion works up to shell form of the Skorba Mansions;
Interest Payment Date	23 May of each year between and including each of the year 2026 and the year 2035, provided that if any such day is not a Business Day such Interest Payment Date shall be carried over to the next following day that is a Business Day;
Intermediaries' Offer	an offer for subscription of Secured Bonds for an amount of €35,000,000 together with any amount not subscribed for by the Maturing Noteholder made by the Issuer to Authorised Financial Intermediaries, in terms of which Secured Bonds may be available for subscription by Authorised Financial Intermediaries, for their own account or for the account of their underlying customers;
Maturing Note	the global note issued by the Issuer in favour of the Maturing Noteholder, as nominee and placement agent, pursuant to the Private Placement, representing the amount due by the Issuer to the Maturing Noteholder, as nominee and placement agent, and creating, acknowledging and representing the indebtedness of the Issuer to the Maturing Noteholder under the terms and conditions of the global note;
Maturing Note Transfer	the subscription for Secured Bonds by the Maturing Noteholder, by the transfer to the Issuer of all or part of the Maturing Note held by such Maturing Noteholder;
Maturing Noteholder	the Sponsor & Co-Manager;
Offer Period	the period between 09:00 hours on 21 April 2025 and 12:00 hours on 9 May 2025 or such earlier date as may be determined by the Issuer during which the Secured Bonds will be available for subscription by the Maturing Noteholder and Authorised Financial Intermediaries pursuant to the Intermediaries' Offer;

Official List	the list prepared and published by the MSE as its official list in accordance with the MSE Bye-Laws;
Redemption Date	the 23 May 2035;
Redemption Value	the nominal value to be paid on the Redemption Date;
Reserve Account	the reserve account to be maintained by the Issuer as from the financial year ending 31 December 2030, as further described in section 5.2.1.3 of this Securities Note;
Secured Property	collectively, as at the date of this Registration Document, the Ta' Monita Properties, the Msida Hotel, and the Skorba Mansions, as may be varied in terms of section 5.2.4 of this Securities Note; and
Terms and Conditions	the terms and conditions of the Secured Bonds contained in section 7 of this Securities Note.

Unless it appears otherwise from the context:

a. words importing the singular shall include the plural and *vice versa*;

b. words importing the masculine gender shall include the feminine gender and *vice versa*;

c. the word *"may"* shall be construed as permissive and the word *"shall"* shall be construed as imperative;

d. all references in the Prospectus to *"Malta"* shall be construed as defined in Article 124(1) of the Constitution of Malta;

e. any phrase introduced by the terms *"including", "include", "in particular"* or any similar expressionism is illustrative only and does not limit the sense of the words preceding those terms; and

f. 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

2.1 General

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THIS SECURITIES NOTE, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE SECURED BONDS. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY, OR MAY NOT, OCCUR AND THE COMPANY, AND THE DIRECTORS, ARE NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE RISK FACTOR FIRST APPEARING UNDER EACH SUB-CATEGORY CONSTITUTES THAT RISK FACTOR WHICH THE DIRECTORS HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH SUB-CATEGORY AS AT THE DATE OF THIS SECURITIES NOTE. SUBSEQUENT RISK FACTORS IN THE SAME SUB-CATEGORY ARE NOT RANKED IN ORDER OF MATERIALITY OR PROBABILITY OF OCCURRENCE. IN MAKING THEIR ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE, OPERATIONAL PERFORMANCE, BUSINESS AND, OR TRADING PROSPECTS OF THE COMPANY, AND, OR THE GROUP, IF THE RISK FACTOR WERE TO MATERIALISE. WHERE A RISK FACTOR MAY BE CATEGORISED IN MORE THAN ONE CATEGORY, SUCH RISK FACTOR ONLY APPEARS ONCE IN THE MOST RELEVANT CATEGORY OR SUB-CATEGORY FOR SUCH RISK FACTOR.

THIS SECURITIES NOTE, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, AND, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE COMPANY: (I) ARE NOT INTENDED TO PROVIDE THE BASIS FOR ANY CREDIT OR OTHER EVALUATION; (II) ARE NOT AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE COMPANY, THE DIRECTORS, ANY OF THE ADVISORS LISTED IN SECTION 4.2 OF THE REGISTRATION DOCUMENT OR ANY OF THE AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS SECURITIES NOTE, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE COMPANY, INCLUDING THE SECURED BONDS, AND, THEREFORE, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS SECURITIES NOTE; AND (III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, *"FORWARD LOOKING STATEMENTS"*.

2.2 Forward-looking Statements

Forward-looking statements can be identified by the use of forward-looking terminology, including the terms *"believes", "estimates", "forecasts", "projects", "anticipates", "expects", "envisages", "intends", "may", "will"*, or *"should"* or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places within this Securities Note and include statements regarding the intentions, beliefs or current expectations of the Company and, or the Directors concerning, amongst other things, the Company's and or the Group's strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets in which the Company and the Group operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may, or may not occur, in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Company's and, or the Group's actual operational results, financial condition and performance, Businessand trading prospects may differ materially from the impression created by the forward-looking statements contained in this Securities Note. In addition, even if the operational results, financial condition and performance, and trading prospects of the Company and, or the Group are consistent with the forward-looking statements contained in this Securities Note, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to, those factors identified under section 2 of this Securities Note headed *"Risk Factors"* and elsewhere in this Securities Note.

All forward-looking statements contained in this Securities Note are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Company and the Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

2.3 Risks Relating to the Secured Bonds

2.3.1 SUITABILITY

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

a. has sufficient knowledge and experience to make a meaningful evaluation of the Secured Bonds, the merits and risks of investing in the Secured Bonds and the information contained or incorporated by reference in the Prospectus or any applicable supplement;
b. has sufficient financial resources and liquidity to bear all the risks of an investment in the Secured Bonds, including where the currency for principal or interest payments is different from the prospective investor's currency and that the Secured Bonds meet the investment objectives of the prospective investor;
c. understands thoroughly the terms of the Secured Bonds and is familiar with the behaviour of any relevant indices and financial markets; and
d. is able to evaluate possible scenarios for economic, interest rate and other factors that may affect his investment and his ability to bear the applicable risks.

An informed investment decision can only be made by investors after they have read and fully understood the risk factors associated with an investment in the Secured Bonds and the inherent risks associated with the Issuer's and the Group's Business.

2.3.2 NO PRIOR MARKET FOR THE SECURED BONDS

Prior to the Bond Issue, there has been no public market for the Secured Bonds within or outside Malta. Due to the absence of any prior market for the Secured Bonds, there can be no assurance that the price of the Secured Bonds will correspond to the price at which the Secured Bonds will trade in the market. The market price of the Secured Bonds could be subject to significant fluctuations in response to numerous factors, including the occurrence of any of the risk factors identified in section 2 of the Registration Document.

2.3.3 SUBSEQUENT CHANGES IN INTEREST RATE AND POTENTIAL IMPACT OF INFLATION

The Secured Bonds are fixed rate debt securities. Investment in the Secured Bonds involves the risk that subsequent changes in market interest rates may adversely affect the market value of the Secured Bonds. Investors should be aware that because of the way yield is typically calculated by market participants, the price of fixed income securities (such as the Secured Bonds) tends to move in a way that is inversely proportional to changes in interest rates. Accordingly, when prevailing market interest rates are rising, the prices that market participants will generally be willing to pay for the Secured Bonds can be expected to decline. Conversely, if market interest rates are declining, secondary market prices for the Secured Bonds can generally be expected to rise. Moreover, fixed rate debt securities with a longer period to maturity will tend to reflect a greater degree of secondary market price volatility relative to movements in market interest rates when compared to fixed rate debt securities with a shorter remaining life.

The coupon payable on the Secured Bonds is a nominal interest rate. The real interest rate is computed by subtracting inflation from the nominal interest rate, the result of which indicates the real return on the Secured Bond coupons. In a period of high inflation, an investor's real return on the Secured Bonds will be lower than the Secured Bonds' nominal interest rate and thus undermine an investor's expected return. Furthermore, an increase in inflation may result in a decrease in the traded price of the Bonds on the secondary market.

2.3.4 ORDERLY AND LIQUID SECONDARY MARKET

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

2.3.5 FUTURE PUBLIC OFFERS

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

2.3.6 STATUS AND RANKING OF THE BONDS AND ADDITIONAL INDEBTEDNESS OR SECURITY

The Secured Bonds shall constitute the general, direct, unconditional and secured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves, but they shall rank with priority or preference over all unsecured indebtedness of the Issuer, if any.

Notwithstanding that the Secured Bonds constitute the general, direct, unconditional and secured obligations of the Issuer, the Issuer may, without the consent of Bondholders, incur further borrowings or other indebtedness, and may, for the purpose of securing existing or additional borrowings or other indebtedness, create or permit to subsist additional security interests or other encumbrances upon the whole or any part of its present or future undertakings, assets or properties, existing or future, and there can be no guarantee that such security interests or other encumbrances, as well as privileges or security interests accorded by law in specific situations, will not arise during the course of the Issuer's business which may rank with priority or preference to the Collateral.

2.3.7 CURRENCY OF REFERENCE

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

2.3.8 DISCONTINUATION OF LISTING

After the Secured Bonds are admitted to trading on the Official List, the Issuer must remain in compliance with certain requirements relating to, *inter alia*, the free transferability, clearance, and settlement of the Secured Bonds, in order to remain a listed company in good standing. Moreover, the MFSA has the authority to suspend trading of the Secured Bonds if, *inter alia*, it comes to believe that such a suspension is required for the protection of investors or of the integrity or reputation of the market. The MFSA may also discontinue the listing of the Secured Bonds if, *inter alia*, it is satisfied that, owing to special circumstances, normal regular dealings in the Secured Bonds are no longer possible, or upon the request of the Issuer or the MSE. Any such trading suspensions or listing revocations or discontinuations described above, could have a material adverse effect on the liquidity and value of the Secured Bonds.

2.3.9 AMENDMENTS TO THE TERMS AND CONDITIONS OF THE SECURED BONDS

The Terms and Conditions of the Secured Bonds contain provisions for calling Bondholders' Meetings to consider matters affecting their interests generally. In the event that the Issuer wishes to amend any of the Terms and Conditions of the Secured Bonds it shall call a Bondholders' Meeting in accordance with the provisions of section 5.12 of this Securities Note. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

2.3.10 CHANGES IN LAW

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

2.4 Risks Relating to the Collateral

2.4.1 ENFORCEMENT OF THE COLLATERAL

There can be no assurance that the Collateral will be sufficient to cover the Issuer's payment obligations under the Secured Bonds in the case of an Event of Default.

A portion of the Collateral is composed of the Secured Property. As at 14 March 2025, the Secured Property has been valued by an independent expert as having a collective value of €40.5 million. There is no guarantee that, in the case of an Event of Default, the Bondholders would recover this value, due to a number of factors including, but not limited to, general economic factors that could have an adverse impact on the value of the Secured Property. If such circumstances were to arise or subsist at the time that the Collateral is enforced by the Security Trustee, it could have a material adverse effect on the value of the Secured Property and the recoverability of the collective value afforded to it in the Property Valuation Reports.

In addition to the aforesaid, the valuation of the Secured Property so prepared by an independent qualified architect contains certain assumptions, which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends as reality may not match the assumptions. There can be no assurance that the property valuation and property-related assets will reflect actual market values at the time of enforcement of the Collateral.

Furthermore, parts of the Secured Property, more specifically parts of the Ta' Monita Properties and the Skorba Mansions, but also possibly parts of the Msida Hotel, may in future be sold to third parties, resulting in the corresponding Collateral being reduced. Although this Securities Note provides, in section 5.2.4. thereof, for a process for the variation of the Collateral, there can be no guarantee that, in the case of sale of parts of the properties as aforesaid, the alternative properties secured by the Issuer for the purpose of replenishing the Collateral shall not be negatively impacted by the risks contained in this section 2.4.1 of this Securities Note.

2.4.2 RANKING OF THE COLLATERAL

The Secured Bonds shall be secured by the Collateral.

In terms of Maltese law, hypothecary debts are paid according to the order of registration in the Public Registry. The first ranking special hypothec constituted over the Secured Property shall rank after the claims of privileged creditors should a note of inscription of a special privilege be registered with the Public Registry in Malta securing the privileged creditor's claim. Privileged creditors include, but are not limited to: architects, contractors, masons, and other workmen, over an immovable constructed, reconstructed or repair, for the debts due to them in respect of the expenses and the price of their work.

The ranking has a bearing on the success of a creditor to get paid should the Issuer have sufficient assets to pay all its creditors. The Security Trustee will be paid out of the assets of the Issuer after privileged creditors and those creditors which are given priority over the Collateral by law. Accordingly, in the case of a competition of creditors, Bondholders may not recover their investment in the Secured Bonds, whether in full or in part, should the value of the Collateral at the time not be sufficient to satisfy the amounts due to Bondholders and any privileged creditors.

3. RESPONSIBILITY AND AUTHORISATION STATEMENT

3.1 Persons Responsible

All of the Directors, whose names and functions appear under the subheading *'Directors of the Issuer'* in section 4.1 of the Registration Document, accept responsibility for the information contained in this Securities Note. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Securities Note is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Issuer accept responsibility accordingly.

All representations and other statements made in the Prospectus are made by the Issuer, and the Directors take sole responsibility for all such representations and statements. The Sponsor & Co-Manager, Registrar & Co-Manager, and the Issuer's advisors have advised and assisted the Issuer in the preparation of this document, but none make any representation or statement, unless otherwise expressly stated in the Prospectus, and each of them disclaims any responsibility for any representations and other statements made in the Prospectus.

3.2 Consent Required in Connection with the Use of the Prospectus by the Authorised Financial Intermediaries

For the purposes of any subscription for Secured Bonds through any of the Authorised Financial Intermediaries in terms of this Securities Note and any subsequent resale, placement, or other offering of Secured Bonds by such Authorised Financial 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 Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale or placement or other offering of Secured Bonds, provided this is limited only:

i. in respect of Secured Bonds subscribed for through the Authorised Financial Intermediaries listed in Annex I of this Securities Note;

ii. to any resale or placement of Secured Bonds subscribed for as aforesaid, taking place in Malta; and

iii. to any resale or placement of Secured Bonds subscribed for as aforesaid, taking place within the period of 60 days from the date of the Prospectus.

None of the Issuer, the Sponsor & Co-Manager, the Registrar & Co-Manager, or any of their respective advisors take any responsibility for any of the actions of any Authorised Financial 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 or placement of the Secured Bonds.

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

Investors should enquire whether an intermediary is considered to be an Authorised Financial Intermediary in terms of the Prospectus. If the investor is in doubt as to whether it can rely on the Prospectus and, or who is responsible for its contents, it should obtain legal advice.

No person has been authorised to give any information or to make any representation not contained in or inconsistent with the Prospectus. If given or made, it must not be relied upon as having been authorised by the Issuer, the Sponsor & Co-Manager, or Registrar & Co-Manager. The Issuer does not accept responsibility for any information not contained in the Prospectus.

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

Any resale, placement, or other offering of the Secured Bonds to an investor by an Authorised Financial Intermediary will be made in accordance with any terms and other arrangements in place between such Authorised Financial Intermediary and such investor, including as to price, allocations, and settlement arrangements. Where such information is not contained in the Prospectus, it will be the responsibility of the applicable Authorised Financial Intermediary at the time of such resale, placement, or other offering to provide the investor with that information and neither the Issuer nor the Sponsor & Co-Manager has any responsibility or liability for such information.

Any Authorised Financial Intermediary using the prospectus in connection with a resale, placement or other offering of the Secured Bonds subsequent to the Bond Issue shall, limitedly for the period of 60 days from the date of the Prospectus, publish on its website a notice to the effect that it is using this Prospectus for such resale, placement or other offering 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 Financial Intermediaries unknown at the time of the approval of this Securities Note will be made available through a company announcement which will also be made available on the Issuer's website: https://jsdgroup.mt/investor-relations/.

4. ESSENTIAL INFORMATION

4.1 Use of Proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €39,200,000, shall be used by the Issuer for the following purposes, in the amounts set out below:

4.1.1 up to €5,000,000 shall be used to acquire the Maturing Note from the Maturing Noteholder pursuant to the Maturing Note Transfer for redemption and cancellation;

4.1.2 up to €8,500,000 shall be on-lent to ONEA Properties for the purpose of refinancing of the outstanding principal and interest due in terms of the FIMBank Facility;

4.1.3 up to €3,456,000 shall be on-lent to Skorba Developments for it to finance the recission of the promise of sale of 10 apartments and four penthouses forming part of Skorba Mansions entered into with a third party company, for which payment had been received upon execution of a promise of sale agreement, plus interest accruing in favour of the said third party until the expected date of recission;

4.1.4 up to €2,535,000 shall be on-lent to JD Real Estate Development for the acquisition of Villa Delfini;

4.1.5 up to €7,000,000 shall be on-lent to JD Operations for it to finance the purchase of 3PL equipment and infrastructure described in section 6.2.5 of the Registration Document; and

4.1.6 the remaining amount of *circa* €12,709,000 will be used by the Issuer for general corporate funding purposes of the Group.

The Issuer has established a minimum aggregate subscription amount of €30,000,000 on which the Bond Issue is conditional. Accordingly, should this minimum not be reached, the Secured Bonds will not be admitted to listing and trading on the Official List and all funds received from Applicants will be returned. In the event that the Bond Issue is not fully taken up, but the said minimum is satisfied or exceeded, the Issuer shall issue Secured Bonds up to the amount subscribed for.

The Issuer (as lender) has entered into conditional intra-group loan agreements with:

i. ONEA Properties (as borrower) for the amount of €8,500,000 for the purposes outlined in 4.1.2 above;
ii. Skorba Developments (as borrower) for the amount of €3,456,000 for the purposes outlined in 4.1.3 above;
iii. JD Real Estate Development (as borrower) for the amount of €2,535,000 for the purposes outlined in 4.1.4 above; and
iv. JD Operations (as borrower) for the amount of €7,000,000 for the purposes outlined in 4.1.5 above.

The obligation of the Issuer to advance the said funds to ONEA Properties, Skorba Developments, JD Real Estate Development, and JD Operations is conditional upon, *inter alia*, the issue and allotment of the Secured Bonds, which in turn is conditional upon the Secured Bonds being admitted to the Official List.

4.2 Expenses

Professional fees, and costs related to publicity, advertising, printing, listing, registration, sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with the Bond Issue are estimated not to exceed €800,000 in the aggregate.

There is no particular order of priority with respect to such expenses. The expenses pertaining to the Bond Issue shall be deducted entirely from the proceeds thereof and accordingly shall be borne exclusively by the Issuer.

4.3 Interest of Natural and Legal Persons Involved in the Bond Issue

Save for the subscription for Secured Bonds by Authorised Financial Intermediaries (which includes Calamatta Cuschieri Investment Services Limited as Sponsor & Co-Manager, Bank of Valletta p.l.c. as Registrar & Co-Manager, and Finco Treasury Management Limited (C17017), a company forming part of the same group of companies as the Security Trustee), and any fees payable in connection with the Bond Issue to the Sponsor & Co-Manager and the Registrar & Co-Manager, in so far as the Issuer is aware, no person involved in the Bond Issue has an interest, conflicting or otherwise, material to the Bond Issue.

4.4 Expected Timetable of the Bond Issue

1.	Offer Period for the Maturing Noteholder and Authorised Financial Intermediaries pursuant to the Intermediaries' Offer	**21 April 2025 to 9 May 2025**
2.	Announcement of basis of acceptance	**16 May 2025**
3.	Dispatch of allotment letters	**23 May 2025**
4.	Commencement of interest	**23 May 2025**
5.	Expected date of early redemption of the Maturing Note	**23 May 2025**
6.	Expected date of admission of the Secured Bonds to listing	**23 May 2025**
7.	Expected date of commencement of trading in the Secured Bonds	**26 May 2025**
8.	Expected date of constitution of the Collateral	**10 June 2025**

The Issuer reserves the right to close the Offer Period referred to in (1) above before 9 May 2025 in the event that the total value of Applications received from the Maturing Noteholder, together with amount subscribed for by Authorised Financial Intermediaries pursuant to the Intermediaries' Offer, exceeds €40,000,000, in which case some or all of the events set out above may be brought forward. If this occurs, the Issuer will issue a company announcement to inform the market accordingly.

5. INFORMATION CONCERNING THE SECURED BONDS

5.1 Bond Issue Statistics

Amount	up to €40,000,000;
Form	the Secured Bonds shall be issued in fully registered and dematerialised form and shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD;
Denomination	Euro (€);
ISIN	MT0001831248;
Minimum amount of application	€5,000;

Redemption Date	23 May 2035;
Plan of Distribution	the Secured Bonds are open for subscription by: the Maturing Noteholder; and Authorised Financial Intermediaries pursuant to the Intermediaries' Offer. Authorised Financial Intermediaries may subscribe for the Secured Bonds either for their own account or for the account of their underlying customers;
Intermediaries' Offer	the Issuer shall enter into conditional subscription agreements with Authorised Financial Intermediaries for an amount of €35,000,000 in Secured Bonds together with any balance of Secured Bonds not subscribed for by the Maturing Noteholder as set out in section 7.5 of this Securities Note. In the event that the amount subscribed by Authorised Financial Intermediaries pursuant to the Intermediaries' Offer exceeds €35,000,000 in Secured Bonds (or any such higher amount equivalent to the balance of Secured Bonds not subscribed for by the Maturing Noteholder), the Issuer, acting through the Registrar & Co-Manager, shall determine the allocation of Secured Bonds applicable to each subscription agreement received from Authorised Financial Intermediaries in terms of section 7.4 of this Securities Note;
Allocation Policy	i. the Maturing Noteholder applying for Secured Bonds through the Maturing Note Transfer shall settle all the amount due on the Secured Bonds applied for by the transfer to the Issuer of all or part of the Maturing Note. Should the Maturing Noteholder elect to subscribe for Secured Bonds by way of the Maturing Note Transfer it shall be allocated Secured Bonds for the corresponding redemption value of the Maturing Note transferred to the Issuer subject to a maximum allocation of €5,000,000 in nominal value of Secured Bonds equivalent to the redemption price payable for the Maturing Note in issue. Secured Bonds applied for by the Maturing Noteholder by way of the Maturing Note Transfer as described above shall be allocated prior to any other allocation of Secured Bonds. In accordance with section 5.5, the transfer of Maturing Note to the Issuer in consideration for the subscription for Secured Bonds shall cause the obligations of the Issuer with respect to the Maturing Note to be extinguished and shall give rise to obligations on the part of the Issuer under the Secured Bonds; ii. the amount of up to €35,000,000 in nominal value of Secured Bonds together with any balance of Secured Bonds not subscribed for by the Maturing Noteholder (as detailed in (i) above) has been reserved for Authorised Financial Intermediaries entering into conditional subscription agreements with the Issuer pursuant to an Intermediaries' Offer, as detailed in section 7.5 of this Securities Note;
Bond Issue Price	at par (€100 per Secured Bond);
Status of the Secured Bonds	the Secured Bonds shall constitute the general, direct, secured, and unconditional obligations of the Issuer, to be secured in the manner described in section 5.2 of this Securities Note, and shall at all times rank *pari passu* and without any preference among themselves;

Listing	the Malta Financial Services Authority has approved the Secured Bonds for admissibility to listing and subsequent trading on the Official List. Application has been made to the Malta Stock Exchange for the Secured Bonds to be listed and traded on its Official List;
Interest	the Bonds shall bear interest from and including 23 May 2025 at the rate of five point six per cent (5.6%) per annum payable annually in arrears on the Interest Payment Dates;
Interest Payment Date	23 May of each year between and including each of the years 2026 and 2035;
Governing Law	the Secured Bonds are governed by, and shall be construed in accordance with Maltese law;
Jurisdiction	the Maltese courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Secured Bonds; and
Underwriting	the Bond Issue is not underwritten.

5.2 Security

5.2.1 COLLATERAL

The Secured Bonds shall be secured by, and Bondholders shall have the benefit of, the following security:

i. following the Cancellations (as defined in section 5.2.1.1 below):

  a. the first ranking special hypothec granted by JD Real Estate Development over the Ta' Monita Properties pursuant to a deed of hypothec to be made in the records of Notary Andre Farrugia;
  b. the first ranking special hypothec granted by J&J Hotel Operations over the Msida Hotel pursuant to a deed of hypothec to be made in the records of Notary Andre Farrugia; and
  c. the first ranking special hypothec granted by Skorba Developments over the Skorba Mansions pursuant to a deed of hypothec to be made in the records of Notary Andre Farrugia;

ii. up to a maximum of €5,000,000 in Secured Bond proceeds allocated for the purchase of 3PL equipment and infrastructure, as set out under section 4.1.5 of this Securities Note, which shall be retained by the Security Trustee until such time as the Security Trustee receives a notification in writing by the Issuer that JD Operations shall be purchasing the aforementioned 3PL equipment and infrastructure, supplemented by the relevant purchase order/s, provided that the Security Trustee shall not release any portion of the proceeds of up to €5,000,000 allocated for the purchase of 3PL equipment and infrastructure should, as a result of the release of such portion, the Collateral not remain equal to or in excess of €50,000,000, unless the Issuer provides alternative security in replacement thereof, as contemplated under section 5.2.4 below.

iii. the Bank Guarantee; and

iv. from financial year ending 31 December 2030, the Reserve Account.

The Collateral shall be constituted in favour of the Security Trustee for the benefit of all Bondholders from time to time registered in the register of Bondholders maintained by the CSD. In this respect therefore, save for such exceptions as may be provided by applicable law, the Secured Bonds shall rank with priority or preference to all present and future obligations of the Issuer, by virtue and to the extent of the Collateral.

5.2.1.1 The Secured Property

As at the date of this Securities Note, the properties forming part of the Secured Property are encumbered as follows:

a. The Ta' Monita Properties are encumbered by a special hypothec in favour of Alter Domus Trustee Services (Malta) Limited (C 63887) ("**Alter Domus**"), as trustee for the benefit of the Maturing Noteholder in connection with the Private Placement; and

b. The Msida Hotel and the Skorba Mansions are each encumbered by a special hypothec in favour of FIMBank pursuant to the FIMBank Facility.

Within 15 Business Days from the issue, allotment and listing of the Secured Bonds, and pursuant to the deployment of the Bond Issue proceeds as set out under section 4.1.1 and 4.1.2 above, Alter Domus and FIMBank shall each, separately, appear on a deed of cancellation to cancel and terminate their respective existing security interests (the "**Cancellations**").

5.2.1.2 The Bank Guarantee

In warranty of the proper observance by the Issuer of all the covenants and obligations undertaken by it in the Prospectus, the Security Trust Deed and the Secured Bonds, and in particular in warranty of its obligation to punctually repay the principal amount of the Secured Bonds and all interests thereon, and all other monies intended to be thereby secured, the Issuer shall procure the issuance of the Bank Guarantee in favour of the Security Trustee for the benefit of the Bondholders. It is expected that the Bank Guarantee will be procured by no later than the date of admissibility to listing of the Secured Bonds. Once procured, the Issuer may vary the value being guaranteed by the Bank Guarantee in terms of section 5.2.4 below.

5.2.1.3 The Reserve Account

The Issuer undertakes that, as from the financial year ending 31 December 2030, it shall start building the Reserve Account as follows: The Issuer shall contribute, in one or more instalments, an aggregate of €5,000,000 in cash and, or cash equivalents to the Reserve Account on an annual basis, such that, subject to the allowed utilisation thereof outlined below, the Reserve Account shall hold an aggregate of €25,000,000 by no later than the end of financial year ending 31 December 2034.

The Issuer has appointed the Security Trustee, who accepted such appointment, as the custodian of the Reserve Account. The funds paid into the Reserve Account by the Issuer shall be held in a clients' account held by the Security Trustee and designated for such purpose and shall be kept segregated from any other assets of the Issuer withheld by the Security Trustee (if any) or of the Security Trustee itself. The assets constituting the Reserve Account and any benefits accruing thereon, shall remain the assets of the Issuer as controlled by the Security Trustee in terms of the appointment as custodian referred to herein.

The Security Trustee shall, in its capacity as custodian of the Reserve Account, undertake the following activities:

i. maintain control of the assets constituting the Reserve Account, segregated as specified above;

ii. monitor the Issuer's contributions to the Reserve Account so as to ensure that at least €5,000,000 in cash or cash equivalents is deposited into the Reserve Account on an annual basis from financial year ending 31 December 2030;

iii. draw up an annual report, as to the extent of compliance by the Issuer with item (ii) above. A copy of the report shall be published by the Issuer through a company announcement and shall be reported upon also in the annual report published by the Issuer; and

iv. authorise the release of the assets of the Reserve Account, in full or in part, for the utilisation thereof for any permitted use of the Reserve Account specified below.

The cash deposited into the Reserve Account may be applied for one or more of the following permitted purposes:

i. buying back Secured Bonds for subsequent cancellation prior to or on Redemption Date; and, or

ii. to invest in any of the following eligible investment interests:

    a. Malta Government Stocks or local SICAVs or other investment vehicles that principally invest in Malta Government stocks; and, or

    b. debt instruments denominated in the same currency as the Secured Bonds and quoted on a secondary market, issued by local or international entities which are unrelated to the Issuer and which are rated as 'A', or better, by a reputable credit rating agency,

    in either case, subject to the ability of the Issuer to liquidate same for the purpose indicated in (i) above.

5.2.2 APPOINTMENT OF SECURITY TRUSTEE PURSUANT TO SECURITY TRUST DEED

The Issuer, JD Real Estate Development, J&J Hotel Operations, and Skorba Developments have entered into a Security Trust Deed with the Security Trustee, which sets out: the covenants of the Issuer to pay the principal amount under the Secured Bonds and interest thereon on the Redemption Date and all the rights and benefits enjoyed by the Security Trustee (for the benefit of Bondholders) under the Security Trust Deed.

The Security Trustee's role includes the holding of the Collateral for the benefit of the Bondholders and the enforcement of the said Collateral upon the happening of specified events of default. The Security Trustee shall have no payment obligations to Bondholders under the Secured Bonds, such obligations remaining exclusively the obligations of the Issuer. The rights under the Collateral will be vested in the Security Trustee for the benefit of the Bondholders in proportion to their respective holding of Secured Bonds.

5.2.3 DYNAMICS FOR CLOSING

Following the Bond Issue, all proceeds, save for the payment of the expenses related to the Bond Issue, shall be held by the Security Trustee.

The Security Trustee shall, save for the payment of the expenses related to the Bond Issue and the amount referred to in section 4.1.5 above (as explained in the following paragraph), retain all remaining net bond proceeds until it receives: (i) the Bank Guarantee; and (ii) appropriate assurance that the publication and registration of the deeds of special hypothec pursuant to which the security over each of the Ta' Monita Properties, the Msida Hotel, and the Skorba Mansions, for the benefit of Bondholders, are to be duly perfected and registered, will be effected.

Furthermore, as to the abovementioned amount referred to in section 4.1.5 of this Securities Note, by reference to section 5.2.1(ii) above, up to €5,000,000 in proceeds raised for the purchase of 3PL equipment and infrastructure shall be withheld by the Security Trustee, for the benefit of Bondholders, until such time as the Security Trustee receives a notification in writing by the Issuer that JD Operations shall be purchasing the aforementioned 3PL equipment and infrastructure, supplemented by the relevant purchase order/s, provided that the Security Trustee shall not release any portion of the proceeds of up to €5,000,000 allocated for the purchase of 3PL equipment and infrastructure should, as a result of the release of such portion, the Collateral not remain equal to or in excess of €50,000,000, unless the Issuer provides alternative security in replacement thereof, as contemplated under section 5.2.4 below.

The Secured Bonds, as and when issued and allotted, shall constitute the general, direct, unconditional and secured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference amongst themselves. The Secured Bonds shall rank with first priority and preference over all present and future unsecured obligations of the Issuer, save for such exceptions as may be provided by applicable law, by virtue and to the extent of the Collateral. The payment of the principal under the Secured Bonds and interest thereon shall be secured through the Collateral.

5.2.4 VARIATIONS TO THE COLLATERAL

In terms of the Security Trust Deed, the Security Trustee reserves the right to demand to the Issuer that additional or alternative immovable property owned by the Group be made available as security in addition to and, or in place of the Secured Property, should at any given time the aggregate value of: (i) the Secured Property, pursuant to a valuation report prepared by an independent architect engaged by the Security Trustee; and (ii) the remaining portion of the Collateral not being the Secured Property, if any, be reported to be lower than €50,000,000.

In such case, the Issuer shall identify, at its discretion, which of the property/ies forming part of the Group's property portfolio as at the date thereof, if any, would replace or be added to the existing Secured Property for the purposes of securing the Secured Bonds, and shall take such steps as may be necessary for such property/ies to replace or be added to the existing Secured Property. Alternatively, upon such request being made by the Security Trustee, the Issuer may elect to increase the value being guaranteed by the Bank Guarantee to an amount sufficient to cover the difference between €50,000,000 and the aggregate of the revised value of the Secured Property as set out in the abovementioned independent architect's valuation report and the remaining portion of the Collateral not being the Secured Property.

Without prejudice to the aforesaid, the Issuer retains the right to:

(i) substitute any of the Secured Property or the Bank Guarantee (in full or in part) with an immovable property which forms part of the property portfolio that is owned by the Group or any other company or legal entity that is an affiliate of the Group or the ultimate beneficial owner of the Group – (Mr Josef Dimech), or an increase to the value being guaranteed by the Bank

Guarantee, as applicable, subject to: (i) a valuation report prepared by an independent architect engaged by the Security Trustee confirming that the value of the immovable property added as a Secured Property is at least equal to the value of the immovable property removed as a Secured Property or the amount by which the Bank Guarantee is being reduced, as applicable, or otherwise sufficient to ensure that the value of the residual Collateral be equal to or in excess of €50,000,000; and (ii) obtaining the Security Trustee's prior consent.

(ii) disencumber any of the properties (or part thereof) constituting Secured Property in the event that, following an increase in either of: (i) the value of any one or more of the properties constituting Secured Property; and, or (ii) the value of the cash and, or cash equivalents in the Reserve Account; and, or (iii) the amount guaranteed by the Bank Guarantee, the value of the residual Collateral would remain equal to or in excess of €50,000,000, provided that no part of the Secured Property may be disencumbered as aforesaid unless the Issuer obtains:

a. in the case of an increase in the value of any one or more of the properties constituting Secured Property, the Security Trustee's prior written consent and either:

i. a report drawn up by an independent expert engaged by the Security Trustee confirming that the value of the residual Collateral is equal to or in excess of €50,000,000, provided that any appreciation in the market value of any property forming part of the Secured Property shall only be taken into account following the completion of the development project, if any, ongoing on the respective property; or

ii. in the absence of an independent expert report as set out in (a), a report prepared by an independent architect engaged by the Security Trustee certifying the value of works which would have been undertaken on the respective property, based on costs incurred as opposed to the market value thereof, since the date on which such property had been last subject to a valuation report: (i) prepared by an independent expert engaged by the Security Trustee; or (ii) published as a document incorporated by reference to a prospectus; or

b. in the case of an increase in the value of the cash and, or cash equivalents in the Reserve Account and, or an increase in the value the amount guaranteed by the Bank Guarantee, the Security Trustee's prior written consent.

For this purpose, it is also acknowledged and accepted that in the event that only part of one or more of the properties constituting the Secured Property is disencumbered as aforesaid, the Issuer retains the right to (i) dispose of the said unencumbered part of any one or more properties constituting the Secured Property, including but limited to where such part consists of one unit forming part of a larger property consisting of multiple separate and distinct units; or (ii) utilise the excess value of the unencumbered part of any one or more properties constituting the Secured Property as security for other indebtedness of the Issuer or any of the companies forming part of the Group, or otherwise affiliated with the Group, provided that any such security over the Secured Property may not rank equally with, or ahead of, the special hypothec already constituted in favour of the Security Trustee, for the benefit of the Bondholders, at any time until the cancellation and release thereof; and

(iii) reduce and, or cancel the Bank Guarantee in the event that, following an increase in either of: (i) the value of any one or more of the properties constituting Secured Property; and, or (ii) the value of the cash and, or cash equivalents in the Reserve Account, the value of the residual Collateral would remain equal to or in excess of €50,000,000, provided that the Bank Guarantee may not be reduced or cancelled as aforesaid unless the Issuer obtains:

a. in the case of an increase in the value of any one or more of the properties constituting Secured Property, the Security Trustee's prior written consent and either:

i. a report drawn up by an independent expert engaged by the Security Trustee confirming that the value of the residual Collateral is equal to or in excess of €50,000,000, provided that any appreciation in the market value of any property forming part of the Secured Property shall only be taken into account following the completion of the development project, if any, ongoing on the respective property; or

ii. in the absence of an independent expert report as set out in (a), a report prepared by an architect engaged by tthe Security Trustee certifying the value of works which would have been undertaken on the respective property, based on costs incurred as opposed to the market value thereof, since the date on which such property had been last subject to a valuation report: (i) prepared by an independent expert engaged by the Security Trustee; or (ii) published as a document incorporated by reference to a prospectus; or

b. in the case of an increase in the value of the cash and, or cash equivalents in the Reserve Account, the Security Trustee's prior written consent.

5.3 Additional Indebtedness and Encumberances

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 or upon such terms as the Issuer may determine at the time of their issue.

Notwithstanding that the Secured Bonds constitute the general, direct, unconditional and secured obligations of the Issuer, if the Issuer incurs further borrowings or other indebtedness as aforesaid, the Issuer may, without the consent of the Bondholders, create or permit to subsist additional security interests or other encumbrances upon the whole or any part of its present or future undertakings, assets or properties, existing or future, and there can be no guarantee that such security interests or other encumbrances, as well as privileges or security interests accorded by law in specific situations, will not arise during the course of the Issuer's business which may rank with priority or preference to the Collateral.

5.4 Rights Attaching to the Secured Bonds

A Bondholder shall have such rights as are, pursuant to this Securities Note, attached to the Secured Bonds, including:

(i) the repayment of capital;

(ii) the payment of interest;

(iii) the benefit of enforcing the Collateral through the Security Trustee;

(iv) the right to attend, participate in and vote at Bondholders' Meetings in accordance with the Terms and Conditions of the Secured Bonds; and

(v) the enjoyment of all such other rights attached to the Secured Bonds emanating from the Prospectus.

5.5 Interest

The Secured Bonds shall bear interest from, and including, 23 May 2025 at the rate of 5.6% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment shall be effected on 23 May 2026 (covering the period commencing 23 May 2025 to 22 May 2026). Any Interest Payment Date which falls on a day other than a Business Day shall be carried over to the next following day that is a Business Day.

The Maturing Note Transfer effected by the Maturing Noteholder shall be without prejudice to the right of the Maturing Noteholder to receive interest on the Maturing Note up to and including the date of admission of the Secured Bonds to listing, expected on 23 May 2025,subject to the right reserved by the Issuer to close the Offer Period earlier in the events set out under section 4.4 of this Securities Note. The Maturing Note is expected to be redeemed on the date of admission of the Secured Bonds to listing, expected on 23 May 2025 subject to the right reserved by the Issuer to close the Offer Period as aforesaid and as duly notified to the Maturing Note holder.

When interest is required to be calculated for any period of less than a full year, it shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the number of days elapsed.

5.6 Yield

The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Secured Bonds is 5.6% per annum. The gross yield to call as at the Redemption Date is 5.6% per annum.

5.7 Registration, Form, Denomination and Title

Certificates shall not be delivered to Bondholders in respect of the Secured Bonds. The entitlement to Secured Bonds shall be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer by the CSD. There shall 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 Secured 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.

The CSD shall issue, upon a request by a Bondholder, a statement of holdings to such Bondholder evidencing their entitlement to Secured Bonds held in the register kept by the CSD.

The Secured Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiples of €100 provided that on subscription the Secured Bonds will be subscribed for at a minimum of €5,000 per individual Bondholder. Authorised Financial Intermediaries subscribing to the Secured Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €5,000 to each underlying client.

Any person in whose name a Secured 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 Secured Bond. Title to the Secured Bonds may be transferred as provided below under the heading '*Transferability of the Secured Bonds*' in section 5.9 of this Securities Note.

Applicants may opt to subscribe for the online e-portfolio of the MSE. The Bondholder's statement of holdings evidencing entitlement to the Secured Bonds held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facilities on https://eportfolio.borzamalta.com.mt/. Further details on the e-portfolio may be found on https://eportfolio.borzamalta.com.mt/Help.

5.8 Payments

Payment of the principal amount of Secured Bonds will be made in Euro (€) by the Issuer to the person in whose name such Secured 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 days of the Redemption Date. The Issuer shall not be responsible for any charges, loss or delay in transmission. Upon payment of the applicable Redemption Value, the Bonds shall be redeemed and the appropriate entry made in the electronic register of the Secured Bonds at the CSD.

In the case of Secured 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 Secured Bonds.

Payment of interest on a Secured Bond will be made to the person in whose name such Secured Bond is registered at the close of business 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 days of the Interest Payment Date. The Issuer shall not be responsible for any charges, loss or delay in transmission.

All payments with respect to the Secured Bonds are subject in all cases to any applicable fiscal or other laws and regulations prevailing in Malta. In particular, but without limitation, all payments of principal and interest by or on behalf of the Issuer in respect of the Secured 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 Malta or any authority thereof or therein having power to tax.

No commissions or expenses shall be charged by the Issuer to Bondholders in respect of such payments.

In terms of article 2156 of the Civil Code, the right of Bondholders to bring claims for payment of interest and repayment of the principal on the Secured Bonds is barred by the lapse of five years.

5.9 Tranferability of the Secured Bonds

The Secured Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole (i.e. in multiples of €100) in accordance with the rules and regulations of the MSE applicable from time to time. The minimum subscription amount of €5,000 shall only apply during the Offer Period. No minimum holding requirement shall be applicable once the Secured Bonds are admitted to listing on the Official List and commence trading thereafter, subject to trading in multiples of €100.

Any person becoming entitled to a Secured 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 as holder of the Secured Bond or to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the CSD a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by transferring the Secured Bond, or procuring the transfer of the Secured Bond, in favour of that person.

All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Secured Bonds and to any applicable laws and regulations.

The cost and expenses of effecting 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 transferee.

The Issuer will not register the transfer or transmission of Secured Bonds for a period of 15 days preceding the due date for any payment of interest on the Secured Bonds.

5.10 Redemption and Purchase

Unless previously purchased and cancelled, the Secured Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on the Redemption Date.

Subject to the provisions of this section 5.10, the Issuer may at any time purchase Secured Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike. All Secured Bonds repurchased by the Issuer shall be cancelled forthwith and may not be reissued or re-sold.

5.11 Events of Default

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

i. the Issuer fails to effect payment of interest under the Secured Bonds on an Interest Payment Date and such failure continues for a period of 60 days after written notice thereof has been given to the Issuer by the Security Trustee; or

ii. the Issuer fails to pay the principal amount on any Secured Bond on the date fixed for its redemption, and such failure continues for a period of 60 days after written notice thereof has been given to the Issuer by the Security Trustee; or

iii. the Issuer fails to duly perform or otherwise breaches any other material obligation contained in the Prospectus and such failure continues for a period of 60 days after written notice thereof has been given to the Issuer by the Security Trustee; or

iv. the Issuer fails to contribute at least €5,000,000 in cash and, or cash equivalents to the Reserve Account in any given year where such payment/s should have been made in terms of section 5.2.1.3 of this Securities Note, and such failure continues for a period of 60 days after written notice thereof has been given to the Issuer by the Security Trustee; or

v. the value of the Collateral is not maintained as equal to or in excess of €50,000,000 and the Issuer fails to remedy this failure for a period of 60 days after written notice thereof has been given to the Issuer by the Security Trustee; or

vi. in terms of article 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 month; or

vii. 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; or

viii. the Issuer is unable, or admits in writing of its inability, to pay its debts within the meaning of article 214(5) of the Act, or any statutory modification or re-enactment thereof; or

ix. an order is made or an effective resolution is passed for winding up of the Issuer, except for the purpose of a reconstruction, amalgamation or division, the terms of which have been approved in writing by the Security Trustee; or

x. a judicial or provisional administrator is appointed upon the whole or any part of the property of the Issuer; and such appointment is certified by the Security Trustee to be prejudicial, in its opinion to the Bondholders; or

xi. the Issuer substantially changes the object or nature of its business as currently carried on; or

xii. the Issuer commits a breach of any of the covenants or provisions contained in the Security Trust Deed and on its part to be observed and performed and the said breach still subsists for 60 days after having been notified by the Security Trustee (other than any covenant for the payment of interests or principal monies owing in respect of the Secured Bonds); or

xiii. the security constituted by any hypothec, pledge or charge upon the whole or any part of the undertaking or assets of the Issuer shall become enforceable and steps are taken to enforce the same and the taking of such steps shall be certified in writing by the Security Trustee to be in its opinion prejudicial to the Bondholders; or

xiv. any representation or warranty made or deemed to be made or repeated by or in respect of the Issuer is or proves to have been incorrect in any material respect in the sole opinion of the Security Trustee; or

xv. any material indebtedness of the Issuer is not paid when properly due or becomes properly due and payable or any creditor of the Issuer (as the case may be) becomes entitled to declare any such material indebtedness properly due and payable prior to the date when it would otherwise have become properly due or any guarantee or indemnity of the Issuer in respect of indebtedness is not honoured when properly due and called upon; PROVIDED THAT for the purposes of this provision, material indebtedness shall mean an amount exceeding €7,500,000; or

xvi. any consent, permit, authorisation, licence or approval of, or registration with, or declaration to governmental, statutory or public bodies, or authorities or courts, required in connection with the operation of the Secured Property, or required by the Issuer for the performance of its obligations hereunder or under the Security Trust Deed, is substantially modified in the sole opinion of the Security Trustee, or is not granted, or is revoked, or terminated, or expires and is not renewed, or otherwise ceases to be in full force and effect; or

xvii. the Issuer repudiates, or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Secured Bonds and, or the Security Trust Deed; or

xviii. it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder, or under the Security Trust Deed; or

xix. the de-listing of the Secured Bonds, save with the consent of such amount in value of Bondholders as may be prescribed by the Capital Markets Rules; or

xx. all, or in the sole opinion of the Security Trustee, a material part, of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Issuer are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government; or

xxi. the external auditors explicitly disagree with the going concern assessment made by the Directors; or

xxii. the Company fails to procure the Ratio-Specific Guarantee requested by the Security Trustee in terms of section 9.1 of the Registration Document within the timeframe stipulated therein, and a resolution is approved at the Bondholders' Meeting called by the Security Trustee by 65% in nominal value of the Bondholders present at the meeting at the time when the vote is being taken, in person or by proxy, to declare such as an Event of Default.

Upon any such declaration being made as aforesaid the said principal monies and interest accrued under the Secured Bonds shall be deemed to have become immediately payable at the time of the event which shall have happened as aforesaid.

Provided that in the event of any breach by the Issuer of any of the covenants, obligations or provisions herein contained due to any fortuitous event of a calamitous nature or otherwise beyond the control of the Issuer, then the Security Trustee may, but shall be under no obligation so to do, give the Issuer such period of time to remedy the breach as in its sole opinion may be justified in the circumstances and if in its sole opinion the breach is remediable within the short term and without any adverse impact on the Bondholders. Provided further that in the circumstances contemplated by this proviso, the Security Trustee shall at all times take cognisance of and, to the extent considered reasonably possible, act on and in accordance with any directions it may receive in a Bondholders' Meeting satisfying the conditions set out in the Security Trust Deed.

The Bondholders acknowledge that the Security Trustee shall not be bound to take any steps or institute any proceedings or to 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.

Except as otherwise provided for under the Security Trust Deed, The Security Trustee shall not be bound to take any steps to ascertain whether any Event/s of Default or other condition, event or circumstance has occurred or may occur, and, until it shall have actual knowledge or express notice to the contrary, the Security Trustee shall be entitled to assume that no such Event/s of Default or condition, event or other circumstance has happened and that the Issuer is observing and performing all the obligations, conditions and provisions contained in the Prospectus and, or the Security Trust Deed.

5.12 Bondholders' Meeting

The Issuer may, through the Security Trustee, from time to time call Bondholders' Meetings for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which in terms of the Prospectus require the approval of a Bondholders' Meeting and to effect any change to the applicable Terms and Conditions.

A Bondholders' Meeting shall be called by the Directors by giving the Security Trustee not less than 21 days' notice in writing. Upon receiving due notice from the Directors, or should the Company fail to procure the Ratio-Specific Guarantee in terms of and within the period stipulated in section 9.1 of the Registration Document, the Security Trustee shall call such meeting by giving all Bondholders listed on the register of Bondholders as at a date being not more than 30 days preceding the date scheduled for the meeting, not less than 14 days' notice in writing. Such notice shall set out the time, place and date set for the Bondholders' Meeting and the matters to be discussed or decided thereat, including, if applicable, sufficient information on any amendment of the Prospectus that is proposed to be voted upon at the meeting and seeking the approval of the Bondholders.

Following a Bondholders' Meeting 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 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 section 5.12 at a meeting called for that purpose as aforesaid, any such decision shall subsequently be given effect to by the Issuer.

The Issuer may, from time to time, call Bondholders' Meetings for the purpose of consultation with Bondholders or for the purpose of any of the following: (i) considering and approving any matter affecting their interest, including the amendment, modification, waiver, abrogation or substitution of any of the Terms and Conditions of the Secured Bonds and the rights of the Bondholders, whether or not those rights arise under the Prospectus; (ii) considering and approving the exchange or substitution of the Secured Bonds by, or the conversion of the Secured Bonds into, shares, debentures or other obligations or securities of the Issuer; and (iii) obtaining the consent of Bondholders on other matters which in terms of the Prospectus require the approval of a Bondholders' Meeting.

A Bondholders' Meeting 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 Bondholders present, in person or by proxy, representing not less than 50% in nominal value of the Secured Bonds then outstanding, shall constitute a quorum. If a quorum is not present within 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 Bondholders present at that meeting. The Issuer shall within two 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 days, and not later than 15 days, following the original meeting. At an adjourned meeting: the number of Bondholders present, in person or by proxy, shall constitute a quorum; and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.

Any person who in accordance with the Memorandum and Articles of Association is to chair the annual general meetings of shareholders shall also chair Bondholders' Meetings. Meetings of Bondholders summoned by the Security Trustee shall be chaired by the Security Trustee or any one person, not necessarily a Bondholder, appointed by the Security Trustee for such purpose.

Once a quorum is declared present by the chairman 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 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.

The voting process shall be managed by the company secretary of the Issuer under the supervision and scrutiny of the auditors of the Issuer.

The proposal placed before Bondholders' Meeting shall, unless a higher threshold is set out in the Security Trust Deed, only be considered approved if at least 65% in nominal value of the Bondholders present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal. Where the requisite majority of Bondholders has approved the resolution(s) put forward for approval at the meeting, the decision of Bondholders' Meeting shall be binding on the Bondholders, regardless of whether the Bondholders bound by such decision abstained from voting, or voted against such resolution(s).

Save for the above, the rules generally applicable to proceedings at general meetings of shareholders of the Issuer shall *mutatis mutandis* apply to Bondholders' Meetings.

5.13 Authorisations and Approvals

The Board of Directors authorised the Bond Issue pursuant to a board of directors' resolution passed on 10 April 2025.

5.14 Notices

Notices will be mailed to Bondholders at their registered addresses and shall be deemed to have been served at the expiration of 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 at his registered address and posted.

5.15 Governing Law and Jurisdiction

The Secured Bonds are governed by and shall be construed in accordance with Maltese law. Any legal action, suit or proceedings against the Issuer arising out of or in connection with the Secured Bonds and, or the Prospectus shall be brought exclusively before the Maltese courts.

6. TAXATION

6.1 General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Secured Bonds, including their acquisition, holding and transfer as well as on any income derived therefrom or on any gains derived on the transfer of such Secured Bonds. The following is a summary of the anticipated tax treatment applicable to Bondholders in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive.

Kindly note that the below overview is limited to the key Malta tax considerations. Investors and prospective investors are advised to seek counsel from their tax advisors outside Malta, where any foreign tax considerations may be relevant.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation, as known to the Issuer at the date of the Prospectus, in respect of a subject on which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation as well as the levels of tax on the subject matter referred to in the preceding paragraph, may change from time to time.

This information is being given solely for the general information of investors. The precise implications for investors will depend, among other things, on their particular circumstances and on the classification of the Secured Bonds from a Maltese tax perspective, and professional advice in this respect should be sought accordingly.

6.2 Malta Tax on Interest

Since interest is payable in respect of a Secured Bond which is the subject of a public issue, unless the Issuer is instructed by a Bondholder 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 (Cap. 123 of the laws of Malta, hereinafter the "**Income Tax Act**"), interest shall be paid to such Bondholder net of a final withholding tax, currently at the rate of fifteen per cent (15%) (ten per cent (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 advice on the taxation of such income as special rules may apply.

This 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 income tax return (to the extent that the interest is paid net of tax). No person shall be charged to further tax in respect of such income. Furthermore, such tax should not be available as a credit against the recipient's tax liability or for a refund, as the case may be, for the relevant year of assessment in Malta. The Issuer is required to submit to the Maltese Commissioner for Tax and Customs the tax withheld by the fourteenth day following the end of the month in which the payment is made. The Issuer will also render an account to the Maltese Commissioner for Tax and Customs of all amounts so deducted, including the identity of the recipient.

In the case of a valid election made 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 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 in the Income Tax Act 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.

6.3 Maltese Taxation of Capital Gains on Transfers of the Secured Bonds

As the Secured 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"*, to the extent that the Secured Bonds are held as capital assets by the Bondholders, no tax on capital gains is chargeable in respect of transfer of the Secured Bonds.

6.4 Duty on Documents and Transfers

In terms of the Duty on Documents and Transfers Act (Cap. 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 Secured Bonds should not be treated as constituting marketable securities within the meaning of the legislation and therefore, the transfer/transmission thereof should not be chargeable to duty.

Furthermore, even if the Secured Bonds are considered marketable securities for the purposes of the Duty on Documents and Transfers Act, in terms of article 50 of the Financial Markets Act (Cap. 345 of the laws of Malta) since the Secured Bonds constitute financial instruments of a quoted company (as defined in such Act), redemptions and transfers of the Secured Bonds should, in any case, be exempt from duty.

INVESTORS AND PROSPECTIVE INVESTORS ARE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND ANY FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF SECURED BONDS AS WELL AS INTEREST PAYMENTS MADE BY THE ISSUER. THE ABOVE IS A SUMMARY OF THE ANTICIPATED TAX TREATMENT APPLICABLE TO THE SECURED 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.

6.5 Exchange of Information

In terms of applicable Maltese legislation, the Issuer and, or its agent may be required to collect and forward certain information (including, but not limited to, information regarding payments made to certain Bondholders) to the Maltese Commissioner for Tax and Customs. The Maltese 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.

Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU, 2015/2376, 2016/881 and 2016/2258) provides for the implementation of the Common Reporting Standard ("**CRS**") into Maltese legislation. The CRS has been proposed by the OECD as a new global standard for the automatic exchange of financial account information between tax authorities in participating jurisdictions. CRS has been transposed into Maltese legislation by virtue of the Cooperation with Other Jurisdictions on Tax Matters Regulations, Subsidiary Legislation 123.127 ("**CRS Legislation**"). Malta based financial institutions ("**FIs**") (defined as such for the purposes of CRS) are obliged 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 Secured Bonds and Bondholders 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 Maltese competent authority 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; and (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.

The Maltese tax authorities shall by automatic exchange framework for reciprocal information exchange, communicate to the other competent authority on annual basis, any relevant information that may fall to be classified as reportable, and *vice versa*.

Foreign Tax Compliance Act ("**FATCA**") has been implemented into Maltese law through the Exchange of Information (United States of America) (FATCA) Order, Subsidiary Legislation 123.156 ("**FATCA Legislation**"). Under the FATCA Legislation, 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 Maltese tax authorities. The Maltese Government and the Government of the U.S. shall annually exchange the information obtained pursuant to the Order on an automatic basis. Non-compliance may result in a punitive thirty (30%) withholding tax on distributions captured by FATCA. Financial account information in respect of holders of the Secured Bonds could fall within the scope of FATCA and they may therefore be subject to reporting obligations.

In particular, 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 US TIN, the details of any account transactions, the nature, balances and compositions of the assets held in the account, to the Maltese competent authority.

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, FIs may take such action as it thinks fit, including without limitation, the closure of the financial account.

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 SECURED BONDS AS WELL AS INTEREST PAYMENTS MADE BY THE ISSUER. THE ABOVE IS A SUMMARY OF THE ANTICIPATED TAX TREATMENT APPLICABLE TO THE SECURED 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.

7. TERMS AND CONDITIONS OF THE BOND ISSUE

7.1. General Terms and Conditions of the Secured Bonds

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 Applicant on the other.

7.1.1 The issue and allotment of the Secured Bonds is conditional upon: (i) the minimum subscription amount of €30,000,000 of Secured Bonds is achieved; and (ii) the Secured Bonds being admitted to the Official List by no later than 23 May 2025. In the event that any of the aforesaid conditions precedent are not satisfied, the Issuer undertakes to procure that any Application monies received by the Registrar & Co-Manager during the Offer Period will be returned without interest by direct credit into the Applicants' bank account as indicated in the respective Application.

7.1.2 The Maturing Noteholder applying for Secured Bonds in its own account or on account of underlying clients shall settle all or part of the amount due on the Secured Bonds applied for by completing a data file as provided by the Registrar & Co-Manager, indicating that the consideration for the Secured Bonds applied for shall be settled by way of transfer to the Issuer of all or part of the Maturing Note held in an amount equivalent to the par value of the Secured Bonds applied for, subject to a minimum application of €5,000.

7.1.3 By submitting a data file as provided by the Registrar & Co-Manager indicating that the option of the Maturing Note Transfer is being selected (whether in whole or in part consideration for the Secured Bonds being applied for), the Maturing Noteholder is thereby confirming:

i. that the Maturing Note held by the Maturing Noteholder is being transferred to the Issuer;

ii. that the provision of the data file by the Maturing Noteholder to the Registrar & Co-Manager constitutes the Maturing Noteholder's irrevocable mandate to the Issuer to: (a) cause the transfer of the said Maturing Note in the Issuer's name in consideration of the issue of Secured Bonds; and (b) engage, at the Issuer's cost, the services of such brokers or intermediaries as may be necessary to fully and effectively vest title in the said Maturing Note in the Issuer and fully and effectively vest title in the appropriate number of Secured Bonds in the Maturing Noteholder;

iii. the obligations of the Issuer with respect to the Maturing Note being transferred to the Issuer are extinguished, replaced by obligations on the part of the Issuer under the Secured Bonds to be issued upon acceptance by the Issuer of the Application by the Maturing Noteholder; and

iv. the matter specified in 7.1.5 below.

7.1.4 Pursuant to the Intermediaries' Offer as described in more detail under section 7.5 below, the Issuer shall enter into conditional subscription agreements with Authorised Financial Intermediaries for an amount of €35,000,000 in Secured or any such higher amount equivalent to the balance of Secured Bonds not subscribed for by the Maturing Noteholder. Completed subscription agreements, together with evidence of payment, are to reach the Registrar & Co-Manager by 12:00 hours on 9 May 2025 or such earlier date as may be determined by the Issuer.

7.1.5 An Applicant applying for the Secured Bonds is thereby confirming to the Issuer, the Registrar & Co-Manager, and the Authorised Financial Intermediary through whom the Application is made, that the Applicant's remittance will be honoured on first presentation and agrees that, if such remittance is not so honoured on its first presentation, the Issuer, the Registrar & Co-Manager, or the respective Authorised Financial Intermediary reserve 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, unless the Applicant makes payment in cleared funds and such payment is accepted by the respective Authorised Financial Intermediary, Registrar & Co-Manager, and, or Issuer, as applicable, which acceptance shall be made in the Authorised Financial Intermediary, Registrar & Co-Manager, and, or Issuer's absolute discretion and may be on the basis that the Applicant indemnifies the Authorised Financial Intermediary, Registrar & Co-Manager, and, or Issuer 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.

7.1.6 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 Securities Note and the Memorandum and Articles of Association. It is the responsibility of investors wishing to apply for the Secured 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.

7.1.7 If an Application is submitted on behalf of another person, whether legal or natural, the person submitting such Application will be deemed to have duly bound such other person, whether legal or natural, on whose behalf the Application has been submitted. The person submitting such Application shall 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, or resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Issuer and the Registrar & Co-Manager, but it shall not be the duty or responsibility of the Registrar & Co-Manager or Issuer to ascertain that such representative is duly authorised to appear on the Application. Furthermore, in cases where the decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "**decision maker**") such as an individual that holds a power of attorney to trade on the Applicant's account or Applications under a discretionary account, details of the decision maker need to be included in the relative panel of the Application.

7.1.8 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. 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 whose names appear in the register, as the case may be. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Secured Bond/s so held.

7.1.9 In the case of corporate Applicants or Applicants having separate legal personality, the Application must be signed by a person/s authorised to sign and bind such Applicant. It shall not be incumbent on the Issuer or the Registrar & Co-Manager to verify whether the person or persons purporting to bind such an Applicant is or are in fact authorised. Applications by corporate Applicants have to include a valid legal entity identifier ("**LEI**") which must be unexpired. Applications without such information or without a valid LEI will not be accepted.

7.1.10 In respect of a Secured 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 Secured Bond/s so held and shall have the right to receive interest on the Secured Bond/s and to vote at Bondholders' Meetings but shall not, during the continuance of the Secured Bond/s, have the right to dispose of the Secured Bond/s so held without the consent of the bare owner, and shall not be entitled to the repayment of principal on the Secured Bond (which shall be due to the bare owner). Furthermore, the signatures of both the bare owner and the usufructuary will be required in the respective Application.

7.1.11 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 Secured 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 until such time as the minor attains the age of 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 18 years.

7.1.12 All Applications are to be lodged with any of the Authorised Financial Intermediaries listed in Annex I of this Securities Note together with payment of the full price of the Secured Bonds applied for, in Euro (€) with the exception of the Maturing Noteholder. Payments may be made through any method of payment as accepted by the respective Authorised Financial Intermediary.

7.1.13 By completing and delivering an Application, the Applicant:

a. accepts to be irrevocably contractually committed to acquire the number of Secured 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 Secured 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 Prospectus, the Terms and Conditions, the Application and the Memorandum and Articles of Association;

b. agrees and acknowledges to have had the opportunity to read the Prospectus and to be deemed to have had notice of all information and representations concerning the Issuer and the issue of the Secured Bonds contained therein;

c. warrants that the information submitted by the Applicant in the Application 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 & Co-Manager) and subscription monies will be returned to the Applicant in accordance with section 7.1.13(g) below. In the event of a discrepancy between the personal details (including name and surname and the Applicant's address) appearing on the Application and those held by the MSE in relation to the MSE account number indicated on the Application, the details held by the MSE shall be deemed to be the correct details of the Applicant;

d. acknowledges the processing of any personal data for the purposes specified in the privacy notice published by the Issuer, which is available on the Issuer's website at https://www.jsdgroup.mt/investor-relations/. The Applicant hereby acknowledges that the processing of personal data may validly take place, even without the Applicant's consent, in the circumstances set out in the Data Protection Act (Cap. 586 of the laws of Malta) (the "**Data Protection Act**"), the General Data Protection Regulation (GDPR) (EU) 2016/679 ("**GDPR**") and any applicable subsidiary legislation, as may be amended from time to time. The Applicant hereby confirms that he has been provided with and read the privacy notice;

e. authorises the Issuer (or its service providers, including the CSD and, or Registrar & Co-Manager) and, or the relevant Authorised Financial Intermediary, as applicable, to process the personal data that the Applicant provides in the Application, for all purposes necessary and subsequent to the Bond Issue applied for, in accordance with the Data Protection Act and the GDPR. The Applicant has the right to request access to, and rectification of, the personal data relating to him in relation to the Bond Issue. Any such requests must be made in writing and sent to the Issuer and the CSD at the MSE. The requests must be signed by the Applicant to whom the personal data relates;

f. confirms that in making such Application no reliance was placed on any information or representation in relation to the Issuer or the issue of the Bonds other than what is contained in the Prospectus and accordingly agree/s that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;

g. 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;

h. warrants that the remittance will be honoured on first presentation and agrees that, if such remittance is not so honoured: (i) the Applicant will not be entitled to receive a registration advice or to be registered in respect of such Secured Bonds, unless and until a payment is made in cleared funds within the Offer Period for such Secured Bonds and such payment is accepted by the respective Authorised Financial Intermediary or by the Issuer acting through the Registrar & Co-Manager (which acceptance shall be made in its absolute discretion and may be on the basis that the Authorised Financial Intermediary or the Issuer acting through the Registrar & Co-Manager is indemnified for 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 at any time prior to unconditional acceptance by the Issuer acting through the Registrar & Co-Manager of such late payment in respect of the Secured Bonds); or (ii) the Issuer may, without prejudice to other rights, treat the agreement to allocate such Secured Bonds as void and may allocate such Secured Bonds to another person, in which case the Applicant will not be entitled to a refund or payment in respect of such Secured Bonds (other than return of such late payment);

i. agrees that the registration advice and other documents and any monies returnable to the Applicant may be retained pending clearance of his remittance and any verification of identity as required by the Prevention of Money Laundering Act (Cap. 373 of the laws of Malta) and regulations made thereunder, and that such monies will not bear interest;

j. agrees to provide the Registrar & Co-Manager and, or the Issuer, as the case may be, with any information which it/they may request in connection with the Application;

k. agrees that all Applications, acceptances of Applications and contracts resulting therefrom will be governed, and construed, in accordance with Maltese law, and to submit to the jurisdiction of the Maltese courts, and agrees that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such Applications, acceptance of Applications and contracts resulting therefrom in any manner permitted by law in any court of competent jurisdiction;

l. warrants that, where an Applicant signs and submits an Application on behalf of another person or on behalf of a corporation or corporate entity or association of persons, the Applicant is duly authorised 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 the Terms and Conditions and accordingly will be deemed also to have given the confirmations, warranties and undertakings contained in the Terms and Conditions and undertake 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 & Co-Manager;

m. warrants that where the Applicant is under the age of 18 years, or where an Application is being lodged in the name and for the benefit of a minor, the Applicant is the parent/s or legal guardian/s of the minor;

n. 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 Application in any territory, and that the Applicant has not taken any action which will or may result in the Issuer or the Registrar & Co-Manager acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the Secured Bond and, or his Application;

o. warrants that all applicable exchange control or other such regulations (including those relating to external transactions) have been duly and fully complied with;

p. 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) as well as not to be accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;

q. agrees that the advisors to the Bond Issue (listed in section 4.3 of the Registration Document) will owe the Applicant no duties or responsibilities concerning the Secured Bonds or the suitability of the Applicant;

r. rees that all documents in connection with the issue of the Secured Bonds will be sent at the Applicant's own risk and may be sent by post at the address (or, in the case of joint Applications, the address of the first named Applicant) as set out in the Application; and

s. renounces to 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 Secured Bonds.

7.1.14 In the event that an Applicant has not been allocated any Secured Bonds or has been allocated a number of Secured 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 Secured Bonds applied for but not allocated, without interest, by credit transfer to such account indicated in the Application, at the Applicant's sole risk. The Issuer shall not be responsible for any charges, loss or delay arising in connection with such direct credit transfer.

7.1.15 For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations (Subsidiary Legislation 373.01 of the laws of Malta), as amended from time to time, the 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 MSE Members or not. Such information shall be held and controlled by the MSE in terms of the Data Protection Act and the GDPR, as may be amended from time to time, for the purposes and within the terms of the MSE Data Protection Policy as published from time to time.

7.1.16 It shall be incumbent on the respective Authorised Financial Intermediary to ascertain that all other applicable regulatory requirements relating to subscription of Secured Bonds by an Applicant are complied with, including without limitation the obligation to comply with all applicable requirements set out in Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No. 648/2012, as well as applicable MFSA Rules for investment services providers.

7.1.17 By not later than 16 May 2025, the Issuer shall announce the result of the Bond Issue through a company announcement.

7.1.18 No person receiving a copy of the Prospectus or an Application 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 such the Prospectus or make an Application , unless, in the relevant territory, such an invitation or offer could lawfully be made to such person or the Prospectus or Application could lawfully be used without contravention of any registration or other legal requirements.

7.1.19 Subscription for Secured Bonds by persons resident in, or who are citizens of, or who are domiciled in, or who have a registered address in, a jurisdiction other than Malta, may be affected by the law of the relevant jurisdiction. Those persons should consult their professional advisors (including tax and legal advisors) as to whether they require any governmental or other consents, or need to observe any other formalities, to enable them to subscribe for the Secured Bonds. It is the responsibility of any person (including, without limitation, nominees, custodians, depositaries and trustees) outside Malta wishing to participate in the Bond Issue, to satisfy himself as to full observance of the applicable laws of any relevant jurisdiction, including, but not limited to, obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes (of any nature whatsoever) due in such territories. The Issuer shall not accept any responsibility for the non-compliance by any person of any applicable laws or regulations of foreign jurisdictions.

7.1.20 The Secured 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.

7.2 Plan of Distribution and Allotment

The Secured Bonds shall be made available for subscription to all categories of investors, which may be broadly split as follows:

i. The Maturing Noteholder up to an amount of €5,000,000; and
ii. Authorised Financial Intermediaries pursuant to the Intermediaries' Offer, who may subscribe for Secured Bonds in their own name or in the name of their underlying clients in terms of the subscription agreements to be entered into with them for an amount of €35,000,000 together with any amount not subscribed for by the Maturing Noteholder, as further described in section 7.5 below;

Subscriptions shall be made through Authorised Financial Intermediaries subject to a minimum subscription amount of €5,000 in nominal value of the Secured Bonds and in multiples of €100 thereafter.

By not later than 16 May 2025 the Issuer shall announce the result of the Bond Issue through a company announcement. Dealings in the Secured Bonds shall not commence prior to the Secured Bonds being admitted to the Official List.

7.3 Pricing

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

7.4 Allocation Policy

The Issuer shall allocate the Secured Bond, on the basis of the following policy:

i. an amount of up to €5,000,000 in nominal value of Secured Bonds shall be made available for subscription by the Maturing Noteholder; and
ii. an amount of up to €35,000,000 in nominal value of Secured Bonds together with any balance of Secured Bonds not taken up in terms of (i) above shall be made available for subscription by Authorised Financial Intermediaries entering into conditional subscription agreements with the Issuer pursuant to an Intermediaries' Offer , as detailed in section 7.5 of this Securities Note. The Issuer, acting through the Registrar & Co-Manager, shall determine the allocation of Secured Bonds applicable to each subscription agreement received from Authorised Financial Intermediaries by not later than12 May 2025.

7.5 Intermediaries' Offer

An amount of up to €35,000,000 in nominal value of Secured Bonds together with any amount not subscribed to by the Maturing Noteholder (if any), shall be offered for subscription by Authorised Financial Intermediaries participating in the Intermediaries' Offer. In this regard, the Issuer shall enter into conditional subscription agreements with Authorised Financial Intermediaries whereby it shall bind itself to allocate Secured Bonds to the Authorised Financial Intermediaries in accordance with the terms of such conditional subscription agreements.

In terms of each conditional subscription agreement entered into with an Authorised Financial Intermediary, the Issuer will be conditionally bound to issue, and each Authorised Financial Intermediary will be conditionally bound to subscribe for, up to the total amount of Secured Bonds as indicated therein, subject to the Secured Bonds being admitted to trading on the Official List. The subscription agreements, which will be subject to the Terms and Conditions of the Bond Issue, will become binding on each of the Issuer and the respective Authorised Financial Intermediaries upon delivery, provided that all subscription proceeds would have been paid to the Registrar & Co-Manager in cleared funds by latest 12:00 hours on 9 May 2025 or such earlier date as may be determined by the Issuer.

The minimum amount which each Authorised Financial Intermediary may apply for in terms of the applicable subscription agreement is €5,000 and in multiples of €100 thereafter and such minimum and multiples shall also apply to each underlying Applicant.

Completed subscription agreements, together with evidence of payment, are to reach the Registrar & Co-Manager by 12:00 hours on 9 May 2025 or such earlier date as may be determined by the Issuer. The Issuer, acting through the Registrar & Co-Manager, shall communicate the amount allocated under each subscription agreement by 12:00 hours on 12 May 2025. Any unsatisfied amounts in terms of the subscription agreements shall be returned to the respective Authorised Financial Intermediary by direct credit to the account indicated in the respective subscription agreement by latest close of business on 13 May 2025.

In terms of the subscription agreements to be entered into, Authorised Financial Intermediaries will have the right to subscribe for Secured Bonds either for their own account or for the account of underlying customers and shall in addition be entitled to distribute any portion of the Secured Bonds subscribed to their underlying clients upon commencement of trading or to complete a data file representing the amount being allocated in terms of the respective subscription agreement as provided by the Registrar & Co-Manager by latest 12:00 hours on 14 May 2025.

7.6 Admission to Trading

The MFSA has authorised the Secured Bonds as admissible to listing pursuant to the Capital Markets Rules by virtue of a letter dated 11 April 2025.

Application has been made to the MSE for the Secured Bonds being issued pursuant to the Prospectus to be listed and traded on the Official List.

The Secured Bonds are expected to be admitted to the MSE with effect from 23 May 2025 and trading is expected to commence on 26 May 2025.

7.7 Additional Information

Save for the financial analysis summary set out as Annex II to this Securities Note, this Securities Note does not contain any statement or report attributed to any person as an expert.

The financial analysis summary has been included in the form and context in which it appears with the authorisation of the Sponsor & Co-Manager, which has given and has not withdrawn its consent to the inclusion of such report herein.

The Sponsor & Co-Manager does not have any material interest in the Issuer. The Issuer confirms that the financial analysis summary has been accurately reproduced in the Securities Note 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
AUTHORISED FINANCIAL INTERMEDIARIES

Bank of Valletta p.l.c.	Premium Banking Centre, 475, Triq il-Kbira San Guzepp, St Venera SVR 1011	2275 1732
Calamatta Cuschieri Investment Services Limited	Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034	2568 8688
FINCO Treasury Management Limited	The Bastions, Office No 2, Emvin Cremona Street, Floriana FRN 1281	2122 0002
Jesmond Mizzi Financial Advisors Limited	67 Level 3, South Street, Valletta VLT 1105	2122 4410
Medirect Bank (Malta) p.l.c.	The Centre, Tigne` Point, Sliema TPO 0001	2557 4400
Michael Grech Financial Investment Services Limited	The Brokerage, Level 0 A, St Marta Street, Victoria, Gozo VCT 2551	2258 7000
M.Z. Investment Services Limited	63, St Rita Street, Rabat RBT 1523	2145 3739

ANNEX II
FINANCIAL ANALYSIS SUMMARY

Calamatta Cuschieri

The Directors
JD Capital p.l.c.
HHF303, Industrial Estate, Hal Far,
Birzebbugia BBG 3000,
Malta

11 April 2025

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 the Issuer (standalone) and the Group (consolidated).

The data is derived from various sources or is based on our own computations as follows:

a. Historical financial data for the three years ending 31 December 2021, 2022 and 2023 has been extracted from the audited financial statements of the Issuer and the Group.
b. The forecast data for the financial years 2024 to 2026 has been provided by management.
c. Our commentary on the Issuer's and Group's results and financial position has been based on the explanations provided by management.
d. The ratios quoted in this Analysis have been computed by us applying the definitions set out in section 4 of the Analysis.
e. The principal relevant market players listed in section 3 of this Analysis 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.

The Analysis is meant to assist investors in the Issuer's securities and potential investors by summarising the more important financial data of the Company and is meant to complement, and not replace, the contents of the full prospectus.

The Analysis does not contain all data that is relevant to investors or potential investors. 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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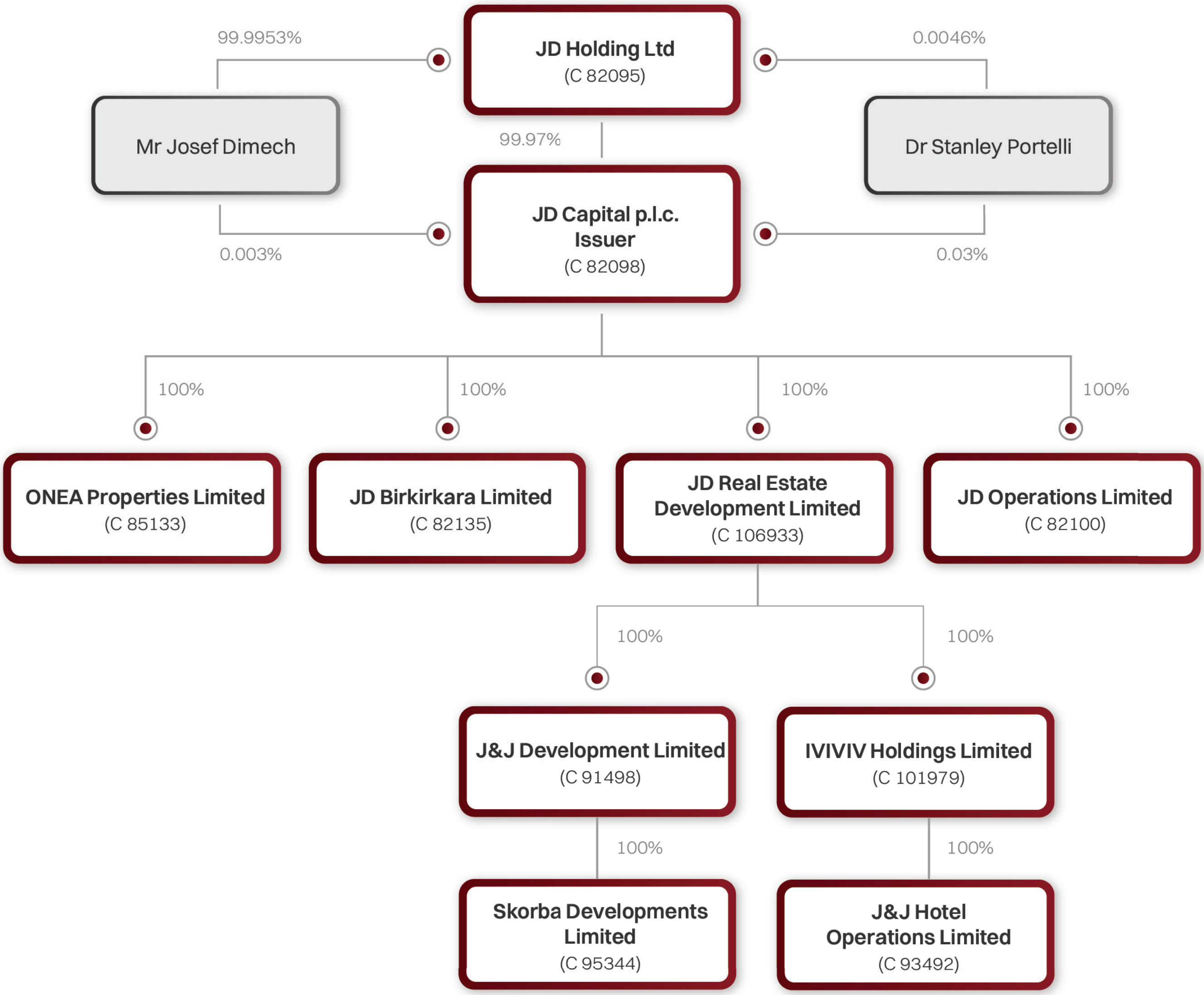
PART 1
INFORMATION ABOUT THE GROUP

1.1 Issuer's Key Activities and Structure

The Group structure is as follows:



In 2024 the group underwent a restructuring exercise with the objective of integrating the real estate business interests and experience which Mr Josef Dimech had cultivated over the years through various special purpose vehicles, most of which jointly with third party partners, into the Group.

JD Real Estate Development was incorporated on 20 November 2023 as a fully owned subsidiary of the Issuer whose principal activity is to act as a property investment company for the Group. JD Real Estate Development was created as the property division of the Group. JD Real Estate Development grew its portfolio through direct acquisitions as well as a result of a reorganisation exercise which consolidated the asset-owning companies previously owned by Mr Josef Dimech personally, into the Group. The Group acquired the shares of the entities with underlying real estate assets from Mr Josef Dimech through share for share exchange

Furthermore, in a company announcement dated 29 November 2024, it was announced that the Group would invest and operate in the third party logistics (3PL) sector.

Hereunder is a description of all group companies following the reorganisation:

JD CAPITAL P.L.C

The Issuer was incorporated on 9 August 2017 and has, at the date of this Analysis, an authorised share capital of €17,546,700 divided into 17,543,621 Ordinary Shares of €1 each and 3,079 Ordinary A shares of €1 each.

The Issuer along with its 8 subsidiaries constitute the "**Group**". The Issuer acts as both the holding company and financing arm to its subsidiaries. JD Capital p.l.c. is a fully owned subsidiary company of JD Holdings Limited, except for 3,079 ordinary A shares held by Dr Stanley Portelli ("**SP**") and 31 ordinary shares held by Mr Josef Dimech ("**JD**").

JD HOLDINGS LIMITED

JD Holdings Limited ("**JDH**") was incorporated on 9 August 2017. The authorised share capital of JDH consists of 10,010,000 ordinary shares made up of 10,009,900 ordinary shares and 100 ordinary A shares, all of nominal value of €1. As at the date of this Analysis, the issued share capital of JDH was €2,139,441

JD REAL ESTATE DEVELOPMENT LTD

JD Real Estate Development Ltd. ("**JDR**") was incorporated on 20 November 2023 and has an authorised share capital of 10,001,200 shares with a nominal value of €1 per share owned by the Issuer. JDR's principal activity is to act as a property investment company.

JD OPERATIONS LIMITED

JD Operations Limited ("**JDO**") was incorporated on 9 August 2017 and has an authorised and issued share capital of 3,501,200 shares with a nominal value of €1 each, which are fully paid up and owned by the Issuer. JDO's principal activity is to manufacture, assemble and install aluminium, steel, wrought iron, large-scale glass formats and stainless-steel works.

JD BIRKIRKARA LIMITED

JD Birkirkara Limited ("**JDB**") was incorporated on 11 August 2017 and has an authorised and issued share capital of 200,000 shares with a nominal value of €1 per share, which are fully paid up and owned by the Issuer. JDB's principal activity is to act as a property investment company.

ONEA PROPERTIES LIMITED

ONEA Properties Limited ("**ONEA**") was incorporated on 28 February 2018 and has an authorised and issued share capital of 1,200 shares with a nominal value of €1 each, which are fully paid up and owned by JD.

ONEA's principal activity is to act as property development Company.

J&J DEVELOPMENT LIMITED

J&J Development Limited ("**J&J DEV**") was incorporated on 18 April 2019 and has an authorised and issued share capital of 1,601,200 shares with a nominal value of €1 each, which are fully paid up and owned by by JD Real Estate Development Ltd.

J&J DEV's principal activity is to act as Real Estate Investments Company.

IVIVIV HOLDINGS LIMITED

IVIVIV Holdings Limited ("**IVIVIV**") was incorporated on 6 April 2022 and has an authorised and issued share capital of 2,400 shares with a nominal value of €1 each, which are fully paid up and owned by JD Real Estate Development Ltd.

IVIVIV is the Holding company of J&J HOTEL Operations Limited.

SKORBA DEVELOPMENTS LIMITED

Skorba Developments Limited ("**SKORBA**") was incorporated on 7 May 2020 and has an authorised and issued share capital of 1,200 shares with a nominal value of €1 each, which are fully paid up and owned by J&J DEVelopment Limited.

SKORBA's principal activity is to act as property Development Company.

J&J HOTEL OPERATIONS LIMITED

J&J Hotel Operations Limited ("**J&J HOTEL**") was incorporated on 24 October 2019 and has an authorised and issued share capital of 2,400 shares with a nominal value of €1 each, which are fully paid up and owned by IVIVIV.

J&J HOTEL's principal activity is to act as Hotel Management Company.

1.2 Directors and Key Employees

Board of Directors - Issuer

As of the date of this Analysis, the following persons constitute the board of directors of the Issuer:

NAME	OFFICE DESIGNATION
Mr Josef Dimech	Executive Director
Dr Jesmond Manicaro	Independent non-Executive Director
Mr Stephen Muscat	Chairman and Independent non-Executive Director
Mr Franco Azzopardi	Executive Director
Dr Stanley Portelli	Independent non-Executive Director

The business address of all of the directors is the registered office of the Issuer.

Dr Malcolm Falzon is the company secretary of the Issuer.

The board of the Issuer is composed of five directors who are entrusted with its overall direction and management. The executive directors are in charge of the decision-making and the day-to-day management of the Issuer, whereas the non-executive directors, all of whom are independent of the Issuer, monitor the executive activity of the Issuer and contribute to the development of its corporate strategy, by providing objective and impartial scrutiny.

The senior management team of the Group consists of:

NAME	OFFICE DESIGNATION
Mr Josef Dimech	Executive Director Business Development
Mr Franco Azzopardi	Executive Director & Group CEO
Mr Clint Agius	Chief Operating Officer
Mr Steve Camilleri Bowman	Chief Digital Officer
Mr Robert Zammit Lucas	Chief Financial Officer

1.3 Major Assets owned by the Group

1.3.1 ĦAL FAR SITE

The Group holds a temporary emphyteusis contract with INDIS Malta Ltd ("**INDIS**") for the Hal Far Industrial Estate, signed in 2018 for a duration of 65 years. This agreement grants the Group control over a total built area of 21,534 sqm, complemented by 5,477 sqm of external facilities. The industrial built area spans 19,495 sqm, with an additional external area of 4,512 sqm, distributed as follows: an 8,939 sqm industrial facility, 2,314 sqm of external industrial storage, a 7,124 sqm warehouse with a height of 17m, a 1,837 sqm storage area at 6.5m, 2,198 sqm designated for external storage and circulation, and a 1,595 sqm office space. This strategic site supports industrial operations with a well-structured mix of facilities tailored for manufacturing, storage, and administrative functions. The Hal Far Site was last valued at €31.5 million according to valuation report by Perit Peter Zammit dated 14 March 2025.

1.3.2 BIRKIRKARA SITE

The site in Birkirkara is situated in Triq Dun Karm, corner with Triq Kanonku Karm Pirotta, with a total area of 1,437m^2 (the "**Birkirkara Site**") This site was originally purchased by JSD on 12 May 2015. It was then transferred to JDB on 1 December 2017 for €4.0m. JD Birkirkara Limited submitted a development permit application for the development of the Birkirkara Site into a commercial office block, comprised of *circa* 4,000m^2 of office space over six overlying floors, together with 127-car spaces over six underlying floors, for a total built up space of 10,000m^2. The Birkirkara Site was last valued at €5.5 million according to valuation Report by Perit Peter Zammit dated 30 August 2024.

1.3.3 TA' MONITA RESIDENCE

JDR acquired its first asset on 7 February 2024, consisting of a site with a total area of 4,863m^2 at the Ta' Monita Residence, which site includes: (i) seven apartments forming part of the same block of apartments, the air space overlying two other blocks of apartments, a garage, and surrounding open spaces, gardens, passages and pathways; and (ii) the pool area measuring approximately 1,000m^2 (the "**Ta' Monita Properties**"). Ta' Monita was last valued at €11.5 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.4 TA' BORŻI – ŻEBBIEGĦ

On 2 July 2024, JDR acquired its second property, a piece of land having a superficial area of circa 527m^2, accessible and situated in Triq Sir Temi Zammit, corner with Triq l-Iskorba, Mġarr, Malta including its relative airspace and subsoil (the "**Ta' Borżi Site**"). Ta' Borzi site was last valued at € 3.8 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.5 ĦAL GĦAXAQ SITE

On 3 October 2024, JDR acquired its third site, 3 portions of land portion A: 1404sqm, portion B: 199sqm, portion C: 275sqm having a total superficial area of *circa* 1,878m^2, accessible and situated at Triq iz-Zejtun, corner with Wesgha ta' Bir id-Deheb, Ghaxaq, Malta including its relative airspace and subsoil (the "**Ħal Għaxaq Site**"). Ħal Għaxaq Site was last valued at €9.2 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.6 SKORBA MANSIONS

J&J Development is the parent company and sole shareholder of Skorba Developments, which owns the 89 underground garages and 5 parking spaces set on four basement levels, including a substation, 2 maisonettes and 42 apartments set on four floors, 9 penthouses over one receded floor and roof pools, constructed in shell form on the divided portion of land having a superficial area of *circa* 2,197m^2 including its relative subsoil and airspace having its facades on and is accessible from Triq Ras il-Gebel and another unnamed road which abuts unto Triq il-Fuħħar l-Aħmar in Żebbiegħ, limits of Mġarr, Malta (the "**Skorba Mansions**"). The total residential built up area is of *circa* 8,301m^2 and underlying garages and parking spaces of *circa* 4,634m^2. Skorba Mansions was last valued at € 19 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.7 MSIDA HOTEL

As of 28th November 2024, JDR indirectly acquired ownership of the site at no. 53, 54, 55, 56, and 57, Xatt tal-Imsida / Triq Clarence, Msida, presently consisting of the already constructed ground floor and first floor level, being developed into a class 3B Hotel with 11 floors comprising 107 rooms pursuant to permits PA852/18 and PA393/22 (the "**Msida Hotel**"), which asset is owned by J&J Hotel Operations, a wholly owned subsidiary of IVIVIV Holdings. Msida Hotel was last valued at € 10 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.4 Operational Developments

1.4.1 ĦAL FAR SITE

A development permit (DN/00886/21) was obtained in FY21, granting the necessary approvals for planned projects.

From a financial perspective, the site serves as collateral for the Series 1 and Series 2 Bonds, with JDO granting a first-ranking special hypothec over Hal Far, covering all existing and future constructions.

In the event of default, creditor recourse to the Hal Far site is subject to the difference between the outstanding bond value and the sum of the Collateral Account, recoveries from the Birkirkara Property, and other relevant amounts (The other relevant amounts refer to the retained Birkirkara earning at Security Trustee (€2 million)).

Strategically, the Group aims to transform part of the Hal Far Industrial Estate into a third-party logistics (3PL) hub, facilitating inventory storage and management solutions for external clients. The development is anticipated to be 50% completed by FY25 with full completion taking place in Q4 of FY26 and with operations expected to commence in 3Q25F, aligning with management's broader growth objectives.

1.4.2 BIRKIRKARA SITE

The Birkirkara project, branded as '**Ta' Lannara**,' represents a pivotal real estate initiative for the Group, strategically positioned to enhance its revenue streams and drive growth. The development, backed by a permit secured in FY21 (PA/04369/19), is being transformed into a multi-level commercial hub. As part of its financial structuring, the site was initially encumbered by a first-ranking hypothec of €2.5 million in favor of Bank of Valletta, which has since been reduced to €1.9 million and replaced by a first-ranking special hypothec. Additionally, a second-ranking special hypothec has been granted to secure bondholders under the existing bond issuance.

1.4.3 TA' MONITA RESIDENCE

In FY24, the Group successfully finalised the acquisition of a 4,863 sqm real estate asset within Ta' Monita, Marsascala, a prime property located in a Special Designated Area (SDA). While the site falls within a designated development scheme, the Group is currently in the process of securing the necessary permits for its planned transformation. To safeguard bondholder interests, a special hypothec has been established in favor of the Security Trustee, securing both the outstanding principal amount of the notes and accrued interest. Additionally, the Security Trustee maintained cash collateral in escrow, designated for on-lending to JDRED for the acquisition of the Ta' Monita and Skorba properties—funds that have now been released following the transaction's completion. The development blueprint for Ta' Monita envisions the construction of 6,600 sqm of premium residential apartments, strategically designed to cater to the rising demand for high-quality living spaces in Marsascala. Complementing the residential component, the project will also feature 2,100 sqm of basement garages, ensuring seamless parking solutions for future residents while enhancing the site's overall accessibility and functionality.

1.4.4 SKORBA PROPERTY

Project Skorba represents a significant residential development, comprising a meticulously planned block of 53 units, including one to three-bedroom penthouses, alongside 89 underlying garages and 5 car spaces spanning four levels, with capacities ranging from single to three-car garages. The Group has secured a development permit under PA/7437/17, with an additional application (PA/7356/23) pending a final decision on 24 October 2024, for which the case officer has recommended approval. As part of the project's financial structuring, a first-ranking special hypothecary guarantee has been pledged in favor of FIMBank against a loan facility of €8.5 million, secured by a special privilege over a designated 2,197 sqm parcel of land in Żebbiegħ. Designed to harmonise with the surrounding landscape and capitalise on the scenic country views, the residential units feature modern open-plan layouts, ensuring both functionality and aesthetic appeal. Management anticipates that the sale of units within the development will be completed by the end of FY26F, marking a key milestone in the Group's real estate portfolio expansion.

1.4.5 MSIDA HOTEL

The Msida Hotel project represents a strategic hospitality development under the ownership of J&J Hotel Operations Ltd, a related entity controlled by IVIVIV Ltd. The initiative encompasses the transformation of the property into a Class 3B hotel, which is set to be leased to an experienced third-party operator, ensuring professional management and operational efficiency. The Group has successfully secured development permits under PA/0852/18 and PA/0393/22, paving the way for construction and commercialisation. To facilitate the project's financing, a first-ranking special hypothecary guarantee has been granted in favor of FIMBank, securing a loan of €8.5 million against the completed Msida Hotel. As part of its commercialisation strategy, Management has confirmed a lease agreement with a seasoned hotel operator, entrusting them with the hotel's day-to-day operations. Additionally, a franchise agreement has been secured with a reputable international chain, further enhancing the hotel's market positioning and brand appeal within the central region of the island. The completion of the development and commencement of operations are projected for FY27F, marking a significant milestone in the Group's expansion within the hospitality sector.

1.4.6 GĦAXAQ

The Ghaxaq property redevelopment project is set to transform the site into a mixed-use development comprising 50 residential units spread across 6 blocks. The project will feature a range of one to three-bedroom duplex penthouses, along with 68 garages and 9 Class B shops, catering to both residential and commercial needs. The Group has successfully obtained a development permit for the project in FY24 under permit number PA 1864/23, ensuring compliance with local planning regulations. To finance the development, a first special hypothec has been established in favor of a local financial institution, securing a loan of €9.3 million. The residential units, garages, and commercial spaces are expected to meet growing demand in the area, with construction scheduled to commence in FY25F. Management anticipates the project will contribute significantly to the Group's real estate portfolio, offering a blend of modern living and retail opportunities in the heart of Ghaxaq.

1.4.7 ŻEJTUN

The Zejtun property redevelopment project is set to transform an existing site into a contemporary residential and commercial complex. The development will comprise 67 units across 6 blocks, offering a range of one-bedroom apartments to three-bedroom penthouses, along with 73 garages catering to various parking needs, from one to five-car capacities. Additionally, the project will include 5 Class B shops, enhancing the area's commercial appeal. The Group has secured approval for the necessary development permits in FY24, under permit numbers PA 581/24 and 582/24 for which the executable permit from the Planning Authority was approved and given for both permits in Feb 25. To finance the project, a first special hypothec has been established for €3.3 million, secured over the Zejtun property, including its airspace and subterrain, excluding certain undeveloped units such as specific commercial spaces and garages. The redevelopment will involve the demolition of existing structures, followed by the construction of modern, high-standard properties. Management is in the final stages of the PA application process, with the property acquisition expected to be completed by the end of FY24F, positioning the project for future growth and profitability.

1.4.8 BORŻI

The Borzi property development project is designed to deliver a modern residential complex featuring a basement garage with 12 car spaces, 2 apartments and a maisonette at ground floor level, 3 apartments per floor at first, second, and third floor levels, and 2 apartments at receded floor level with a total residential build up area of *circa* 1,840m^2 and underlying garages of *circa* 464m^2.

The Group secured the necessary development permit in FY23 under permit number PA 3741/22. To facilitate the financing of the project, a first special hypothec has been established for €2.4 million over the Borzi property, in favour of a local financial institution. The proposed development aims to create a high-quality living environment with a mix of residential units, including spacious apartments and penthouses, complemented by essential parking facilities. Construction is slated to begin in FY25F, marking the commencement of an exciting new addition to the local property market.

1.4.9 VILLA DELFINI

The project involves the development of two expansive villas for sale, designed to offer modern amenities and luxurious finishes, catering to buyers seeking upscale living in a highly desirable location. The Group has obtained the necessary development permit in FY24 under permit number PA 3675/23. With no collateral required for the project, the focus is on delivering a premium residential product. Demolition works are expected to commence in FY25F, with a construction timeline of approximately one year, ensuring that these high-end villas will be completed in a timely manner for prospective buyers.

1.4.10 BOND ISSUES

JD Capital p.l.c. issued its first bond on the main market of the Malta Stock Exchange on 25 November 2022. These bonds were issued as part of a bond issuance programme pursuant to the Base Prospectus and Final Terms dated 3 October 2022 (the "**Series 1 Bonds**"). The net proceeds of the Series 1 Bonds were used for an exchange offer on the Issuer's previous bond on the Prospects MTF, and to part-finance the first phase of the redevelopment of the Hal Far Site by way of a loan from the Issuer to JDO, as well as a portion for general corporate funding purposes.

The Issuer then issued the second series of the above-mentioned bond issuance programme on 20 July 2023, pursuant to the Base Prospectus and Final Terms dated 16 June 2023 (the "**Series 2 Bonds**"). The net proceeds of the Series 2 Bonds were used to part-finance the second phase of the redevelopment of the Hal Far Site by way of a loan from the Issuer to JDO, and to develop an office complex in Birkirkara by way of a loan from the Issuer to JDB.

During 2024, JD Capital p.l.c. issued another bond through an unlisted offer to the public, pursuant to the Unlisted Bonds Prospectus (the "**Unlisted Bonds**"). The net proceeds of the Unlisted Bonds were used as follows:

- €3,000,000 on-lent to JDR for its utilisation by way of part consideration for the acquisition of the Ta' Monita Residence;
- Approximately €600,000 were on-lent to JDR to cover the costs associated with the acquisition of the Ta' Monita Residence; and
- €1,400,000 for general corporate funding

Collectively, the Series 1 Bonds, Series 2 Bonds, and Unlisted Bonds will hereinafter be referred to as the "**Issuer's Bonds**".

1.5 List of Issuer's Bonds

JD Capital p.l.c. has the following outstanding debt securities:

BOND	SECURITY NAME	AMOUNT
Series 1 Bonds	4.85% JD Capital p.l.c. 2032	€14,000,000
Series 2 Bonds	6% JD Capital p.l.c. 2033	€11,000,000
Unlisted Bonds	7.25% JD Capital p.l.c. 2025-2027	€5,000,000

1.6 Use of Proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €39,200,000, shall be used by the Issuer for the following purposes, in the amounts set out below:

- up to €5,000,000 shall be used to acquire the Maturing Note from the Maturing Noteholder pursuant to the Maturing Note Transfer for redemption and cancellation;
- up to €8,500,000 shall be on-lent to ONEA Properties for the purpose of refinancing of the outstanding principal and interest due in terms of the FIMBank Facility;
- up to €3,456,000 shall be on-lent to Skorba Developments for it to finance the recission of the promise of sale of 10 apartments and four penthouses forming part of Skorba Mansions entered into with a third party company, for which payment had been received upon execution of a promise of sale agreement, plus interest accruing in favour of the said third party until the expected date of recission;
- up to €2,535,000 shall be on-lent to JD Real Estate Development for the acquisition of Villa Delfini;
- up to €7,000,000 shall be on-lent to JD Operations for it to finance the purchase of 3PL equipment and infrastructure; and
- The remaining amount of *circa* €12,709,000 will be used by the Issuer for general corporate funding purposes of the Group.

PART 2
HISTORICAL PERFORMANCE AND FORECASTS

The Issuer's historical financial information for the three years ending 31 December 2021, 2022 and 2023, as set out in the audited financial statements of the Issuer may be found in sub-sections 2.1. To 2.3. Of this Analysis. These sub-sections also include the projected performance of the Issuer for the period ending 31 December 2024, 2025 and 2026.

Moreover, the Group's historical financial information for the three years ending 31 December 2021, 2022 and 2023, together with the projected performance for the period ending 31 December 2024, 2025 and 2026 are set out in sub-sections 2.4. To section 2.6.

The projected financial statements detailed below relate to events in the future and are based on assumptions which the Company 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.

2.1 Issuer's Income Statement

INCOME STATEMENT	2021A	2022A	2023A	2024F	2025F	2026F
	€000s	€000s	€000s	€000s	€000s	€000s
Administrative expenditure	(72)	(275)	(302)	(497)	(400)	(400)
Other income	-	-	-	462	-	-
EBITDA	**(72)**	**(275)**	**(302)**	**(36)**	**(400)**	**(400)**
Interest income	319	342	1,073	1,920	3,284	4,649
Finance cost	(250)	(293)	(977)	(1,683)	(2,883)	(4,083)
Movement in expected credit loss provision	-	(11)	(43)	-	-	-
Loss before tax	**(4)**	**(237)**	**(250)**	**201**	**2**	**167**
Taxation charge	(66)	-	-	(217)	1	(58)
Loss for the year	**(70)**	**(237)**	**(250)**	**(16)**	**1**	**108**

As mentioned in section 1.1 of the Analysis, the Issuer acts as both the holding and financing arm of the Group and as such has no operations itself. Therefore, the Issuer has no revenue or cost of sales in its financial statements.

Administrative expenses, increased further in FY23 following an increase in directors and professional fees, previously not forecast. The Issuer is forecasting that these will increase slightly during the forecasted period and reach €400k by FY26.

The Issuer obtains financing from bond issues and on loans proceeds to group companies. The two main items in the income statement are therefore the interest expense incurred on bonds issued and the interest income being the interest which the company charges to group companies for financing provided.

The company expects to report close to breakeven results for the current and immediate future periods, in line with its policy to charge sufficient interest to group companies to cover both the bond interest payable and the administrative expenses incurred by the company.

2.2 Issuer's Statement of Financial Position

BALANCE SHEET	2021A	2022A	2023A	2024F	2025F	2026F
	€000s	€000s	€000s	€000s	€000s	€000s
Assets						
Non-current assets						
Investment in subsidiaries	4,885	7,004	22,292	14,438	14,438	14,438
Financial asset at amortised cost	7,558	7,547	10,711	43,351	73,479	73,479
Total non-current assets	**12,443**	**14,551**	**33,003**	**57,789**	**93,917**	**93,917**
Current assets						
Trade and other receivables	201	6,650	2,550	2,947	947	947
Cash and cash equivalents	-	10	-	-	871	1,037
Total current assets	**201**	**6,660**	**2,550**	**2,971**	**1,817**	**1,983**
Total assets	**12,645**	**21,212**	**35,553**	**60,736**	**95,735**	**95,901**
Equity and liabilities						
Equity						
Share capital	7,547	7,547	7,547	9,681	9,681	9,681
Other reserves	-	-	3,200	4,800	4,800	4,800
Retained earnings	(51)	(288)	(538)	(554)	(553)	(444)
Total equity	**7,496**	**7,259**	**10,209**	**13,927**	**13,928**	**14,037**
Liabilities						
Non-current liabilities						
Debt securities in issue	4,917	13,625	24,471	29,427	64,555	64,555
Other financial liabilities	4	238	447	16,303	16,303	16,303
Total non-current liabilities	**4,921**	**13,863**	**24,918**	**45,730**	**80,858**	**80,858**
Current liabilities						
Trade and other payables	181	90	426	948	949	1,006
Bank borrowings	-	-	-	131	-	-
Bond borrowings	-	-	-	-	-	-
Tax liabilities	48	-	-	-	-	-
Total current liabilities	**229**	**90**	**426**	**1,079**	**949**	**1,006**
Total liabilities	**5,149**	**13,954**	**25,344**	**46,809**	**81,807**	**81,865**
Total equity and liabilities	**12,645**	**21,212**	**35,553**	**60,736**	**95,735**	**95,901**

The Issuer's non-current assets are made up of financial assets at amortised cost and investments in subsidiaries. Given the Issuer's function as the finance arm and the holding company of the Group, financial assets make up the majority of its assets.

The asset base expanded significantly, growing from €12.6m in FY21 to €96m in FY26, indicating substantial growth in financial positioning.

Non-current assets are projected to increase steadily from €12.4m in FY21 to €94m in FY25, maintaining this level through FY26 supporting the long-term investment strategy. The Issuer reports a growing asset base representing its holdings in group subsidiaries and its long term receivables which are financed by the bond issues. The non-current assets reflect the Issuer's function as the holding and financing arm of the group.

The Issuer's current assets have shown an increase from FY23 to FY24.Trade and other receivables reached €2.9m at FY24 consisting of €2m held by the security trustee, which will be released this current year FY25, €935k in accrued interest receivable, and €12k in prepayments. Cash and cash equivalents, however, saw an increase from €871k in FY25 to €1m in the latest projection, highlighting improved liquidity and cash management.

Share capital increased to €9.7m and remains unchanged across all periods. This increase is attributed to the group re-organisation through the share transfer of new group Co's from JDH to JDC that was done through allotment of shares.

Debt securities in issue represent the most significant component of non-current liabilities, and are projected to increase from €4.9m in FY21 to €64.6m in FY26 supporting Group tendency to rely on long-term debt financing consisting of €11m bond, €14 m bond and the proposed €40m secured bond. Bond borrowings of €4.9m represent the unlisted callable securities that will be eliminated after being paid in FY25 through the €40m secured bond. Intra-group payables of €16.3m in FY24 are forecast to remain constant across all periods and these represent a stable portion of the Issuer's long-term obligations (on consolidation these payables will eliminate).

Total current liabilities are projected to stabilise at €1m level from FY24 to FY26.

Liabilities have increased from €5.1m in FY21 to €81.9m in FY26. This growth is primarily driven by higher long-term debt financing.

2.3 Issuer's Statement of Cash Flows

STATEMENT OF CASH FLOWS	2021A	2022A	2023A	2024F	2025F	2026F
	€000s	€000s	€000s	€000s	€000s	€000s
Cash flows from operating activities						
Profit / (loss) before tax	(4)	(237)	(250)	201	2	167
Adjustments for:						
Net Finance and Bond issue costs	261	390	739	943	-	-
Movement in working capital						
Trade and other working capital changes	15	(6,442)	6,453	670		
Cash flows from operations	**272**	**(6,289)**	**6,942**	**(72)**	**2**	**167**
Taxation paid	(19)	(48)	-	(55)	-	1
Net cash flows used in operating activities	**253**	**(6,337)**	**6,942**	**(127)**	**2**	**166**
Cash flows from investing activities						
Movement in amounts due from subsidiary and related parties	(3)	(2,131)	(15,292)	(5,456)	-	-
Net cash flows generated from / (used in) investing activities	**(3)**	**(2,131)**	**(15,292)**	**(5,456)**	**-**	**-**
Cash flows from financing activities						
Net proceeds from bonds issue	-	8,623	8,811	4,871	40,000	-
Redemption of bonds	-	-	-	-	(4,872)	-
Interest paid	(250)	(379)	(679)	1,920	-	-
Movement in amounts due to subsidiary	-	234	208	-	(34,128)	-
Bank loan and bond interest payments	-	-	-	(1,339)	-	-
Net cash flows generated from / (used in) financing activities	**(250)**	**8,478**	**8,340**	**5,452**	**1,000**	**-**
Movement in cash and cash equivalents	**-**	**10**	**(10)**	**(131)**	**1,002**	**166**
Cash and cash equivalents at start of year	-	-	10	-	(131)	(871)
Cash and cash equivalents at end of year	**-**	**10**	**-**	**(131)**	**(871)**	**1,037**

In line with its function with the Group, the Issuer's cash flows from operating activities mainly consist of movements relating to interest payable to bondholders and interest receivable from related companies as well as movements in working capital especially its trade receivables.

Net cash flows from operating activities have varied significantly, moving from a negative position of €6.3m in FY22 to a positive €6.9m in FY23, followed by another downturn in FY24.

The movement in amounts due from subsidiary and related parties has been a major cash outflow, particularly in FY23 and FY24 by respectively €15.3m and €5.5m, implying significant intercompany financing to Group companies. In fact, the cash outflows from investing activities in FY23 were made up of the loans granted to JDO and JDB, following the net proceeds received by the Issuer from part of the Series 1 Bonds and the majority of the Series 2 Bonds.

Bond issuances have been a key source of financing, with major proceeds in FY22 €8.6m, FY23 €8.8m, and a significant increase in FY25 €40m.

A redemption of bonds is scheduled for FY25 €4.9m for repayment of unlisted notes. Movements in amounts due to subsidiary indicate intercompany financing, peaking in FY25 with €34.1m.

2.4 Group's Income Statement

INCOME STATEMENT	2021A	2022A	2023A	2024F	2025F	2026F
	€000s	€000s	€000s	€000s	€000s	€000s
Revenue	16,268	11,832	12,965	16,335	31,833	64,162
Cost of sales	(13,617)	(9,756)	(10,003)	(12,331)	(22,512)	(45,278)
Gross profit	**2,652**	**2,076**	**2,963**	**4,004**	**9,321**	**18,883**
Administrative expenses	(928)	(1,136)	(1,153)	(1,574)	(1,983)	(2,022)
Other income	294	213	239	639	210	210
EBITDA	**2,018**	**1,154**	**2,049**	**3,069**	**7,548**	**17,071**
Depreciation and amortisation	(863)	(968)	(688)	(662)	(1,690)	(1,868)
EBIT	**1,155**	**185**	**1,361**	**2,407**	**5,858**	**15,203**
Revaluation of investment property	-	971	-	7,967	2,821	-
Finance income	206	42	51	303	573	577
Finance costs	(584)	(724)	(1,189)	(1,868)	(6,487)	(4,836)
Other losses	(12)	(2)	-	2	-	-
Movement in expected credit loss provision	(297)	(56)	36	(132)	-	-
Profit before tax	**467**	**416**	**258**	**8,679**	**2,764**	**10,944**
Taxation charge	(309)	(199)	(230)	(2,114)	(226)	-
Profit for the year	**159**	**218**	**30**	**6,565**	**2,539**	**10,944**

RATIO ANALYSIS	2021A	2022A	2023A	2024F	2025F	2026F
Profitability						
Growth in Revenue (YoY Revenue Growth)	-	-27.3%	9.6%	26.0%	94.9%	101.6%
Gross Profit Margin (Gross Profit/ Revenue)	16.3%	17.5%	22.9%	24.5%	29.3%	29.4%
EBITDA Margin (EBITDA / Revenue)	12.4%	9.8%	15.8%	18.8%	23.7%	26.6%
Operating (EBIT) Margin (EBIT / Revenue)	7.1%	1.6%	10.5%	14.7%	18.4%	23.7%
Net Margin (Profit for the year / Revenue)	1.0%	1.8%	0.2%	40.2%	8.0%	17.1%
Return on Common Equity (Net Income / Average Equity)	1.0%	1.3%	0.2%	24.1%	6.1%	19.9%
Return on Assets (Net Income / Average Assets)	0.3%	0.4%	0.0%	6.4%	1.7%	6.5%
Return on capital employed (EBITDA/ Total Assets - Current Liabilities)	6.0%	2.7%	3.6%	3.2%	5.1%	12.2%

Historically, the Group's operations were centered solely on its legacy business, Manufacturing, which is operated entirely through JDO and specialises in the production and installation of wrought iron, apertures, steel railings, curtain walling, structural glazing, steel structures, composite cladding, large glass, and various door systems.

Going forward, the Group is embarking on a diversification strategy, expanding beyond its legacy manufacturing business into two new segments: Property Development and Third-Party Logistics (3PL). The Property Development segment includes both the development of properties for resale and the acquisition of properties held as long-term investments. Additionally, the Group is strengthening its portfolio with the launch of its 3PL business in FY25. This new segment, operating alongside the manufacturing division from the Hal Far site, is designed to capitalise on the growing demand for efficient supply chain solutions. With approval from Malta Enterprise, JDO will provide outsourced logistics services, including procurement and fulfillment activities, as well as warehousing and goods management. This strategic shift marks a significant evolution for the Group, positioning it for enhanced revenue diversification and long-term growth.

The Group experienced a revenue decline of 27.3% from FY21 to FY22 with management having attributed this to the general election in Malta during that year, which resulted in a number of contracts being put on hold pending political stability but revenue rebounded by 9.6% in FY23, reaching €13m and this consisted of a mix of completion of material contracts which commenced in prior years, works on a major significant project which commenced in FY23, and smaller-sized projects in which the Group is involved.

Due to stable manufacturing levels, the introduction and continuous enhancement of 3PL services, rental income, and the completion of various property development projects, the ongoing revenue growth trend is expected to continue, with a strong projected increase of 26.0% in FY24, followed by a substantial 94.9% rise in FY25 and another 101.6% in FY26, bringing total revenue to €64.2m.

Between FY25F and FY26F, property development revenue is mainly driven by Skorba, Zejtun, Ghaxaq and Villa Delfini amounting to c.70.7% of property development revenue generated between FY25F and FY26F.

As a result, the Gross Profit Margin improved steadily, reaching 22.9% in FY23, up from 17.5% in FY22, and is projected to stabilise around 29.4% by FY26 indicating the Group increased efficiency in generating profit from sales, reflecting a stronger EBITDA Margin, which grew from 9.8% in FY22 to 15.8% in FY23, with projections showing continued improvement to 26.6% by FY26. The introduction of the new 3PL business and property development segments is expected to further contribute to this positive trend, enhancing operational efficiencies and diversifying revenue streams, ultimately supporting sustained margin expansion.

Cost of Sales followed the trend of revenue, declining in FY22 but growing in line with revenue in FY23 and beyond. Despite the increases in costs, EBITDA has remained positive, showing a growth from €1.2m in FY22 to €2.0m in FY23, and is expected to rise significantly in FY25 to €7.5m, highlighting improved operational performance. This is further reflected in the Operating (EBIT) Margin, which grew from 1.6% in FY22 to 10.5% in FY23, though it is expected to reach 23.7% by FY26.

Finance costs for FY23 were higher due to the increase in interest payable following the issuance of the Series 2 Bonds and the Unlisted Bonds during the year. This is expected to increase further during the period FY24-FY26 following the issuance of the proposed €40m bond.

The €8m and €2.8m gain on fair value movement are mainly related to gain resulting from the revaluation of investment properties;Birkirkara, Ta' Monita, and the Msida Hotel.

The Net Margin increased from 0.2% in FY23 to an expected 40.2% in FY24, driven by the significant jump in profit, before stabilising at 8.0% in FY25 and 17.1% in FY26 demonstrating the Group's increased efforts in improving its ability to convert sales into profit.

The Return on Common Equity was at 0.2% in FY23, but with the projected growth in net profit, it is expected to rise to 24.1% in FY24, reflecting better returns on equity. Similarly, the Return on Assets is expected to increase to 6.4% in FY24 and rise further to 6.5% in FY26.

Lastly, Return on Capital Employed was at 3.6% in FY23, but it is forecast to reach 12.2% by FY26. This is indicative of better utilisation of capital as the business expands, particularly as operating profit improves and financial leverage increases.

2.5 Group's Statement of Financial Position

STATEMENT OF FINANCIAL POSITION	2021A	2022A	2023A	2024F	2025F	2026F
	€000s	€000s	€000s	€000s	€000s	€000s
Assets						
Non-current assets						
Property, plant and equipment	23,627	22,812	28,008	34,322	55,742	53,874
Investment property	4,523	5,494	5,734	27,442	37,716	39,836
Intangible assets	224	224	224	224	224	224
Financial assets at amortised cost	2,703	3,977	1,714	11,869	17,996	17,996
Total non-current assets	**31,078**	**32,507**	**35,681**	**73,857**	**111,678**	**111,930**
Current assets						
Financial assets at amortised cost	3,151	5,394	9,225	6,916	6,916	6,916
Inventory	1,529	1,364	1,563	1,989	1,989	1,989
Property held for resale	-	-	-	20,574	32,450	13,192
Contract assets	4,514	6,517	11,141	6,954	6,954	6,954
Trade and other receivables	6,647	10,813	18,332	17,800	10,542	10,542
Cash and cash equivalents	361	891	384	688	1,566	10,770
Total current assets	**16,202**	**24,979**	**40,645**	**54,921**	**60,419**	**50,364**
Total assets	**47,280**	**57,486**	**76,326**	**128,779**	**172,096**	**162,294**
Equity and liabilities						
Equity						
Share capital	7,547	7,547	7,547	9,681	10,350	10,350
Revaluation reserve	7,857	7,857	8,166	11,729	22,999	22,999
Other reserves	-	-	3,200	4,800	5,700	5,700
Retained earnings	1,183	1,402	1,431	7,996	10,535	21,478
Total equity	**16,587**	**16,805**	**20,344**	**34,206**	**49,584**	**60,527**
Liabilities						
Non-current liabilities						
Borrowings	7,398	17,050	28,851	49,161	86,603	67,349
Lease liabilities	3,492	3,447	3,396	3,343	3,289	3,233
Trade and other payables	3,899	3,564	1,685	3,347	3,347	3,347
Deferred tax liabilities	1,593	1,638	2,644	4,690	4,916	4,916
Non-current tax liabilities	508	459	243	971	971	971
Total non-current liabilities	**16,890**	**26,158**	**36,818**	**61,511**	**99,126**	**79,815**
Current liabilities						
Borrowings	3,602	3,086	2,809	6,649	-	-
Lease liabilities	36	45	51	53	53	53
Contract liabilities	2,212	2,890	4,185	3,570	3,570	3,570
Current tax liabilities	1,080	1,072	952	545	545	545
Trade and other payables	6,873	7,430	11,166	22,243	19,217	17,781
Total current liabilities	**13,804**	**14,523**	**19,164**	**33,060**	**23,385**	**21,949**
Total liabilities	**30,693**	**40,681**	**55,982**	**94,571**	**122,511**	**101,765**
Total equity and liabilities	**47,280**	**57,486**	**76,326**	**128,777**	**172,094**	**162,292**

RATIO ANALYSIS	2021A	2022A	2023A	2024F	2025F	2026F
Financial Strength						
Gearing 1 (Net Debt / Net Debt and Total Equity)	47%	58%	63%	63%	64%	50%
Gearing 2 (Total Liabilities / Total Assets)	65%	71%	73%	73%	71%	63%
Gearing 3 (Net Debt / Total Equity)	88%	138%	172%	174%	180%	101%
Net Debt / EBITDA	7.27x	20.10x	17.06x	19.38x	11.84x	3.56x
Current Ratio (Current Assets / Current Liabilities)	1.17x	1.72x	2.12x	1.66x	2.58x	2.29x
Quick Ratio (Current Assets - Inventory / Current Liabilities)	1.06x	1.63x	2.04x	1.60x	2.50x	2.20x
Interest Coverage (EBIT / Finance costs)	1.98x	0.26x	1.14x	1.29x	0.90x	3.14x

The Group's Total Assets grew from €47.3m in FY21 to €76.3m in FY23, driven primarily by increases in Non-current assets, which rose from €31.1m in FY21 to €35.7m in FY23, with notable growth in Property, Plant, and Equipment (from €23.6m to €28.0m) and Investment Property (from €4.5m to €5.7m).

This growth reflects the Group's diversification strategy, transitioning from a historically manufacturing-focused business to a more robust three-segment structure encompassing Manufacturing, Property Development, and the newly introduced 3PL segment. This strategic shift not only strengthens the Group's asset base but also enhances its long-term revenue potential and resilience.

PPE as at the end of FY23 was €28.0m, this shows an increase of approximately €5m from the previous year as a result of additions to the Hal Far Site as part of the first phase of development. Following a revaluation of the site in FY24, as well as continuing developments on the Hal Far Site throughout the year and the introduction of the 3PL business management is expecting its PPE to increase substantially to reach €53.9m by FY26.

The Group's investment property at the end of FY23 represents the value of the Birkirkara Site, the fair value of which increased slightly since acquisition. As from FY24, the Group's investment property will include the Ta' Monita Residence, Msida Hotel and Ta Xbiex office (50%) resulting in Total investment property of €39.8m by FY26.

As a result, non-current assets are expected to increase further, reaching €111.9m by FY26.

This expansion is reflected in the Total Liabilities, which rose from €30.7m in FY21 to €56m in FY23, driven by higher borrowings, with Non-current Liabilities growing from €16.9m in FY21 to €36.8m in FY23. The Group's gearing levels also reflect this increased reliance on debt, as shown by Gearing 1 (Net Debt / Net Debt + Total Equity), which increased from 47% in FY21 to 63% in FY24 reflecting an ongoing increase in financial leverage, though it is projected to improve to 50% by FY26.

The Equity base of the Group grew steadily from €16.6m in FY21 to €20.3m in FY23, with Retained Earnings increasing from €1.2m in FY21 to €1.4m in FY23. This reflects the Group's growing profitability, with Total Equity projected to rise to €49.6m in FY25 and €60.5m in FY26.

Gearing 2 (Total Liabilities / Total Assets) increased from 65% in FY21 to 73% in FY23, suggesting a higher proportion of liabilities relative to assets. This ratio is expected to remain at 73% in FY24 before gradually decreasing to 63% by FY26, indicating a shift toward a more balanced capital structure.

In terms of liquidity, Current Assets grew from €16.2m in FY21 to €40.6m in FY23, mainly due to an increase in Trade and Other Receivables (from €6.6m in FY21 to €18.3m in FY23). This growth in current assets is reflected in the Current Ratio, which improved from 1.17x in FY21 to 2.12x in FY23, indicating better short-term liquidity. The ratio is expected to decline to 1.66x in FY24 signalling liquidity pressure. It is expected to recover to 2.29x by FY26, which suggests that the liquidity position will strengthen as the Group scales. Similarly, the Quick Ratio improved from 1.06x in FY21 to 2.04x in FY23, reflecting better ability to cover current liabilities with more liquid assets, although it is projected to dip to 1.60x in FY24 before improving again to 2.20x in FY26.

On the debt service side, Net Debt / EBITDA increased from 7.27x in FY21 to 17.06x in FY23 following the increase of net debt from 14.6m in FY21 to 34.9m in FY23.This ratio is expected to remain high in FY24 at 19.38x but is projected to improve significantly to 3.56x by FY26 as EBITDA increases, reflecting better earnings coverage of debt obligations. Furthermore, Interest Coverage (EBIT / Finance Costs) remained low in FY22 at 0.26x but improved to 1.14x in FY23 and it is expected to improve substantially to 3.14x by FY26, signalling improved ability to cover interest payments as earnings increase.

Overall, the Group's balance sheet reflects strong asset growth, particularly in non-current assets, and an increasing reliance on debt. While liquidity ratios show strength in FY23, some pressure is anticipated in FY24, with improvement expected in the longer term. The Group's gearing ratios suggest higher leverage, but with increasing equity and profitability, debt management is expected to improve moving forward.

2.6 Group's Statement of Cash Flows

STATEMENT OF CASH FLOWS	2021A	2022A	2023A	2024F	2025F	2026F
	€000s	€000s	€000s	€000s	€000s	€000s
Cash flows from operating activities						
Profit before tax	468	418	259	8,679	2,764	10,944
Adjustments for:						
Depreciation and amortisation	863	968	688	662	1,690	1,868
Movement in working capital						
Working capital changes	(2,999)	(8,657)	(3,729)	(13,734)	1,041	12,898
Cash flows from operations	**(1,669)**	**(7,271)**	**(2,782)**	**(4,393)**	**5,496**	**25,710**
Taxation paid	(60)	(220)	(430)	321	(3,572)	(4,461)
Net cash flows generated from / (used in) operating activities	**(1,728)**	**(7,492)**	**(3,212)**	**(4,072)**	**1,924**	**21,249**
Cash flows from investing activities						
Cash inflow (outflow) from PPE	(215)	(141)	(4,669)	(1,107)	(6,715)	(1,211)
Net cashflow from investing activities (excl. PPE)	1,757	(45)	(871)	(13,266)	(2,580)	(2,100)
Net cash flows generated from / (used in) investing activities	**1,542**	**(186)**	**(5,540)**	**(14,373)**	**(9,295)**	**(3,312)**
Cash flows from financing activities						
Bond issue	-	8,623	8,811	4,870	40,000	-
Bond issue expenses	-	-	-	-	(800)	-
Redemption of bonds	-	-	-	-	(5,000)	-
Movement in other financial liabilities	(138)	(29)	76	(3,320)	(7,544)	(104)
Bank loan and bond interest payments	(584)	(805)	(1,200)	(1,995)	(5,515)	(4,494)
Advance / (repayment of bank loans)	(1,680)	(2,856)	-	-	(12,891)	(4,135)
Net proceeds from borrowings	2,438	3,767	500	19,128	-	-
Net cash flows generated from / (used in) financing activities	**36**	**8,700**	**8,187**	**18,683**	**8,250**	**(8,733)**
Movement in cash and cash equivalents	**(151)**	**1,023**	**(565)**	**238**	**879**	**9,204**
Cash and cash equivalents at start of year	11	(140)	883	318	556	1,434
Cash and cash equivalents at end of year	**(140)**	**883**	**318**	**556**	**1,434**	**10,638**

The cash flow statement reflects significant fluctuations across operating, investing, and financing activities.

Operating cash flows were negative from FY21 to FY23, with net cash outflows of €1.7m in FY21, €7.5m in FY22, and €3.2m in FY23, largely influenced by movements in working capital, particularly trade and other receivables. However, projections indicate a shift to positive cash flows, reaching €1.9m in FY25 and further rising to €21.2m in FY26, supported by higher profitability and improved working capital management.

Investing activities show capital expenditures increasing over time, with cash outflows related to property, plant, and equipment specifically related to the Group's Hal Far Site reaching €4.7m in FY23 and further projected at €6.7m in FY25. Additionally, net investing cash flows excluding PPE remained negative in most years, contributing to overall net cash outflows of €5.5m in FY23 and a forecasted €14.4m in FY24.

Financing activities played a crucial role in cash movements, particularly with bond issuances including a €40m planned bond in FY25. Loan repayments and financing costs also contribute to fluctuations, leading to a projected financing cash outflow of €8.7m in FY26.

Overall, cash balances are projected to improve and rise to €10.6m in FY26. The Group's liquidity position, as reflected by its operating cash flow trends and financing strategies, shows a shift towards cash generation in the forecasted years.

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 year 2023. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

3.2 Economic Update[1]

The Bank's Business Conditions Index (BCI) suggests that in January 2025, annual growth in activity stood slightly above its long-term average estimated since January 2000. In January, the Bank's Economic Policy Uncertainty Index declined from its December level and stood well below its historical average estimated since 2004.

The European Commission's confidence surveys show that sentiment in Malta increased in January, but remained below its long-term average, estimated since November 2002. In month-on month terms, sentiment improved across all sectors, bar in industry.

Additionally, the European Commission's Economic Uncertainty Indicator (EUI) for Malta increased compared with December, indicating higher uncertainty, with the largest increase recorded in the services sector.

In December, industrial production rose at a slower pace whereas retail trade rose at a slightly stronger pace compared to November. In November, annual growth in services production turned negative.

[1] *Central Bank of Malta – Economic Update 2/2025*

The unemployment rate remained unchanged at 3.0% but stood below that of 3.2% in December 2023. In December, both commercial building and residential permits fell compared to November. When compared with their year-ago level, commercial permits were marginally lower, while residential building permits increased significantly. In January 2025, the number of residential promise-of-sale agreements declined on a year earlier, as did the number of final deeds of sale. The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 1.8% in January, unchanged from the previous month. Meanwhile, HICP excluding energy and food in Malta stood at 2.0%. Both stood firmly below the euro area average. On the other hand, inflation based on the Retail Price Index (RPI) edged up to 1.4% in January, from 1.2% in December. In December, both Maltese residents' deposits and credit extended to them by monetary and financial institutions (MFIs) increased strongly compared to their level a year ago. Nevertheless, in both cases, the annual rate of change moderated compared to November.

3.3 Economic Outlook[2]

According to the Bank's latest forecasts, Malta's gross domestic product (GDP) is expected to grow by 4.4% in 2024. Growth is then projected to ease to 3.5% and 3.4% in 2025 and 2026 respectively.

This implies a marginally upward revision for 2024 and a marginal downward revision for 2026, when compared to the Bank's previous projection round. Over this period, growth is expected to be driven by domestic demand, reflecting continued rapid growth in private consumption and a gradual recovery in private investment.

The contribution of net exports is also expected to be positive but smaller than that of domestic demand and diminishing over time. Employment growth is set to moderate, albeit from high rates, with the unemployment rate remaining close to 3%.

The average wage is expected to grow at a significantly faster rate in 2024, partly in response to the pronounced inflation in the recent past and a tight labour market. Thereafter it is expected to moderate somewhat in line with the expected continued moderation in inflation. Annual inflation based on the Harmonised Index of Consumer Prices is projected to drop significantly, from 5.6% in 2023 to 2.5% in 2024, before reaching 2.0% by 2026.

Compared to previous projections, inflation has been revised up by 0.1 percentage point in each year of the projection horizon, reflecting recent outcomes and a re-assessment of services inflation. The general government deficit-to-GDP ratio is set to narrow to 4.1% in 2024, and to narrow further over the rest of the forecast horizon, to stand at 3.1% by 2026. Nevertheless, the general government debt-to-GDP ratio is set to increase throughout the forecast horizon, reaching 54.1% by 2026.

Fiscal projections remain mostly unchanged compared with the previous projection round. As the upcoming national accounts publication will include a benchmark revision, the above figures may be affected by possible material revisions to past data. Furthermore, such projections could be affected by the publication of updated fiscal plans by

Government in fulfilment of the new EU fiscal rules later this year. The Bank's projections could thus be revised somewhat in upcoming rounds of projections once this information becomes available. Looking beyond these factors, the overall risks to activity are broadly balanced over the projection horizon.

Downside risks largely emanate from possibly adverse trade effects related to geopolitical tensions. On the other hand, the labour market could exhibit even stronger dynamics than envisaged in this projection round, both in terms of employment and wages, resulting in stronger private consumption growth and hence output growth. Risks to inflation are balanced over the project horizon. Upside risks to inflation could stem from renewed supply-side bottlenecks that could be triggered by ongoing geopolitical conflicts. Furthermore, wage pressures could be stronger than envisaged in the baseline. Unfavourable weather conditions and policies supporting the green transition - in particular those requiring heavy capital investment - could also push up inflation, although such effects might be temporary.

On the downside, imported inflation could fall more rapidly than expected if the global disinflation process proceeds faster than assumed. On the fiscal side, risks are deficit-increasing. These mainly reflect the likelihood of slippages in current expenditure, including higher-than-expected outlays on energy support measures if commodity prices are higher than assumed. They also reflect the likelihood of additional increases in pensions and public wages in the outer years of the forecast horizon. Should these risks materialise, they are set to be partly offset by the likelihood of additional fiscal consolidation to comply with the EU's fiscal rules.

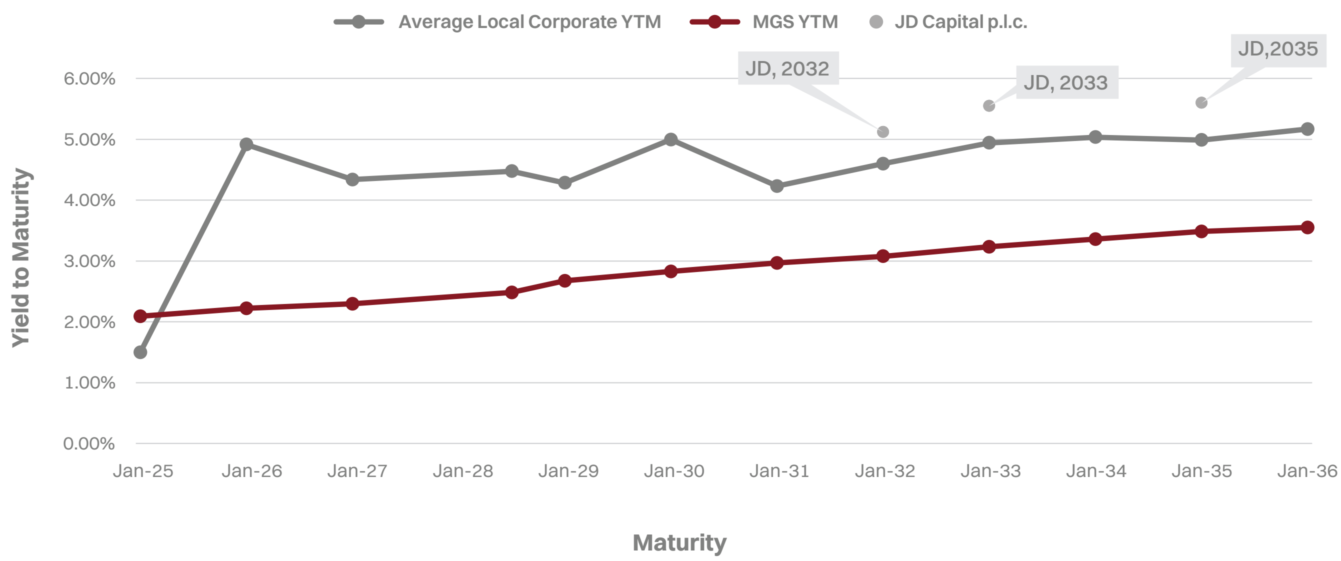
[2] *Central Bank of Malta – Economic Projections 2024– 2026*

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)	(%)	(%)	(%)
4.5% G3 Finance plc Secured € 2032	12,500	4.84%	(3.0)x	0.0	0.0	51.9%	37.9%	5.9x	0.7x	6.8%	12.1%	13.7%
4% Malta Properties Company Plc Sec € 2032 S1/22 T1	25,000	4.00%	(2.3)x	99.1	56.4	43.1%	33.1%	8.1x	2.6x	3.7%	41.1%	22.8%
4.85% JD Capital plc Secured € 2032 S1 T1	14,000	5.12%	1.7x	76.3	20.3	73.3%	63.1%	16.9x	2.1x	0.1%	0.2%	9.6%
5.25% Bonnici Bros Properties plc Unsecured € 2033 S1 T1	12,000	4.94%	2.2x	37.6	17.1	54.7%	15.9%	3.0x	0.7x	0.0%	0.1%	19.0%
6% JD Capital plc Secured Bonds 2033 S2 T1	11,000	5.55%	1.7x	76.3	20.3	73.3%	63.1%	16.9x	2.1x	0.1%	0.2%	9.6%
4.50% The Ona plc Secured € 2028-2034	16,000	4.54%	32.1x	29.5	8.4	71.4%	64.1%	9.8x	2.3x	19.4%	19.8%	534.1%
5.5% Juel Group plc € Secured 2035	32,000	4.99%	(20.2)x	73.0	25.3	65.4%	56.2%	26.4x	2.7x	17.2%	579.3%	13770.4%
5.4% Excel Finance plc € Secured Bonds 2031	50,000	5.16%	0.0x	0.0	0.0	0.3%	-	0.0x	0.0x	0.0%	0.0%	0.0%
5.6% JD Capital plc Secured Bonds 2035	40,000	5.60%	1.7x	76.3	20.3	73.3%	63.1%	16.9x	2.1x	0.1%	0.2%	9.6%
	Average*	4.97%										

Source: Latest available audited financial statements
Last price as at 03/04/2025

**Average figures do not capture the financial analysis of the Issuer*

Yield Curve Analysis



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

The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of Malta Government Stocks (MGSs) (Y-axis) vs the maturity of both Issuers and MGSs (X-axis), in their respective maturity bucket, to which the spread premiums can be noted. The graph illustrates on a stand-alone basis, the yield on the Issuer's bonds.

As at 3 April 2025, the average spread over the MGS for corporates with maturity range of 7-11 years was 145 basis points. Meanwhile, the 4.85% JD Capital plc 2032 bond is trading at a spread of 204 basis points over the equivalent MGSs. Moreover, as at 3 April 2025, the Bond traded at a premium of 60 basis points in comparison to the market of comparable corporate bonds.

Meanwhile, as at 3 April 2025, the 6% JD Capital plc 2033 bond was trading at a spread of 232 basis points over the equivalent MGSs which means that the Bond was trading at a premium of 87 basis points in comparison to the market of comparable corporate bonds.

The proposed JD Capital p.l.c. 2035 bond is issued with a coupon of 5.6% issued at par, meaning a spread of 212 basis points over the equivalent MGS, and therefore at a premium to the average on the market of 67 basis points.

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.
Operating Profit (EBIT)	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.
Net Income	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).
Return on Capital Employed	Return on capital employed (ROCE) measures the relative profitability of a company after taking into account the amount of capital used during a relative financial performance.
Cash Flow Statement	EBITDA as a percentage of total revenue.
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 de 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 de further classified into Non-Current Liabilities and Current Liabilities.

Non-Current Liabilities	Obligations which are due after more than 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.
Current Liabilities	Obligations which are due within one financial year.

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 EBIT of one period by finance costs 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.

FINANCIAL STRENGTH RATIOS

FY	Financial Year.
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.