

Agora



BASE PROSPECTUS

DATED 9 FEBRUARY 2024



BASE PROSPECTUS

The Base Prospectus is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the MFSA and of the Prospectus Regulation in relation to the

**BOND ISSUANCE PROGRAMME of up to €21,000,000
issued by**

AGORA ESTATES p.l.c.
**A public limited liability company registered in Malta
with company registration number C 91408
and registered address at
Agora Business Centre, Ground Floor, Valley Road, Msida MSD 9020, Malta**

Dated 9 FEBRUARY 2024

THIS BASE PROSPECTUS HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY AS THE COMPETENT AUTHORITY IN MALTA FOR THE PURPOSES OF THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY HAS ONLY APPROVED THIS BASE PROSPECTUS 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 OF THE QUALITY OF THE BONDS.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE BASE 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 BASE PROSPECTUS INCLUDING ANY LOSSES INCURRED BY INVESTING IN THE BONDS.

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

Approved by the Board of Directors of Agora Estates plc on the 02 October 2023.



James Zammit



Joseph Schembri



Silvio Mifsud



Audrey-Anne Hughes



Isabella Vella

IMPORTANT INFORMATION

THE BASE PROSPECTUS INCLUDES PARTICULARS FOR THE PURPOSE OF GIVING INFORMATION WITH REGARD TO THE ISSUER AND THE BUSINESS OF THE GROUP OF WHICH IT FORMS PART AND IS IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

THE ISSUER CONFIRMS THAT (1) THE BASE PROSPECTUS CONTAINS ALL MATERIAL INFORMATION WITH RESPECT TO THE ISSUER AND THE BONDS; (2) THE INFORMATION CONTAINED HEREIN IN RESPECT OF THE ISSUER AND THE BONDS IS ACCURATE IN ALL MATERIAL RESPECTS AND IS NOT MISLEADING; (3) ANY OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND BASED ON REASONABLE ASSUMPTIONS; (4) THERE ARE NO FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT, WHETHER OF FACT OR OPINION, IN THE BASE PROSPECTUS MISLEADING IN ANY MATERIAL RESPECT; AND (5) ALL REASONABLE ENQUIRIES HAVE BEEN MADE TO ASCERTAIN ALL FACTS AND TO VERIFY THE ACCURACY OF ALL STATEMENTS CONTAINED HEREIN.

THE BASE PROSPECTUS AND/OR ANY FINAL TERMS AND/OR OTHER DOCUMENT PRODUCED IN RELATION TO THE ISSUER AND/OR THE BONDS AND/OR THE DELIVERY OF ANY BONDS MAY NOT BE TAKEN AS AN IMPLICATION THAT: (1) THE INFORMATION CONTAINED IN SUCH DOCUMENTS IS ACCURATE AND COMPLETE SUBSEQUENT TO THEIR RESPECTIVE DATES OF ISSUE; (2) THERE HAS BEEN NO ADVERSE CHANGE IN THE FINANCIAL CONDITION OF THE ISSUER SINCE SUCH DATES; OR (3) ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE MATTERS CONTAINED IN THE BASE PROSPECTUS AND/OR THE FINAL TERMS 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.

THE DIRECTORS OF THE ISSUER, WHOSE NAMES APPEAR HEREUNDER, ACCEPT RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THE BASE PROSPECTUS. TO THE BEST OF THE DIRECTORS' KNOWLEDGE AND BELIEF, WHO HAVE TAKEN ALL REASONABLE CARE TO ENSURE SUCH IS THE CASE, THE INFORMATION CONTAINED IN THE BASE PROSPECTUS IS IN

ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION.

ALL THE EXPERTS AND ADVISORS TO THE ISSUER NAMED IN THE BASE PROSPECTUS UNDER THE HEADING 'ADVISERS, SECURITY TRUSTEE AND STATUTORY AUDITORS' HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE BONDS ISSUANCE PROGRAMME 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 BASE PROSPECTUS AND THE FINAL TERMS.

NONE OF THE EXPERTS OR ADVISORS OR ANY PERSON MENTIONED IN THE BASE PROSPECTUS AND THE FINAL TERMS, OTHER THAN THE ISSUER AND THE DIRECTORS OF THE ISSUER, SHALL BE RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE BASE PROSPECTUS AND ANY SUPPLEMENT THERETO, IN ANY DOCUMENTS INCORPORATED BY REFERENCE OR IN ANY TERM SHEET, AND ACCORDINGLY, TO THE EXTENT OF ANY LAWS OF ANY RELEVANT JURISDICTION, NONE OF THESE PERSONS ACCEPTS RESPONSIBILITY AS TO THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OF THESE DOCUMENTS, NONE MAKE ANY REPRESENTATION OR STATEMENTS, AND EACH OF THEM DISCLAIMS ANY RESPONSIBILITY FOR ANY REPRESENTATIONS AND OTHER STATEMENTS MADE IN THE BASE PROSPECTUS AND FINAL TERMS UNLESS OTHERWISE EXPRESSLY STATED IN THE BASE PROSPECTUS AND FINAL TERMS.

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

THE BASE PROSPECTUS HAS BEEN FILED WITH THE MALTA FINANCIAL SERVICES AUTHORITY IN SATISFACTION OF THE CAPITAL MARKETS RULES, WITH THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BY-LAWS AND WITH THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE COMPANIES ACT.

THE MALTA FINANCIAL SERVICES AUTHORITY HAS AUTHORISED THE ADMISSABILITY OF THE BONDS TO LISTING ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE. IN PROVIDING THIS AUTHORISATION, THE MALTA FINANCIAL SERVICES AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS OF INVESTING IN THE BONDS AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN THE BONDS.

APPLICATION HAS BEEN MADE TO THE MALTA STOCK EXCHANGE FOR THE BONDS TO BE LISTED AND TRADED ON ITS OFFICIAL LIST.

THE BASE PROSPECTUS AND/OR FINAL TERMS DO NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF AN OFFER OR INVITATION TO SUBSCRIBE FOR THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED, OR IN WHICH THE PERSON MAKING THE OFFER OR INVITATION IS NOT QUALIFIED TO DO SO, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION.

THE DISTRIBUTION OF THE BASE PROSPECTUS AND FINAL TERMS 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 THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE BONDS OR THE DISTRIBUTION OF THE BASE PROSPECTUS (OR ANY PART THEREOF) OR THE FINAL TERMS OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THE BASE PROSPECTUS AND FINAL TERMS AND ANY PERSONS WISHING TO APPLY FOR THE BONDS ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR THE BONDS TO BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH BONDS AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE. PROSPECTIVE INVESTORS SHOULD NOT TREAT THE CONTENTS OF THE BASE PROSPECTUS AND/OR FINAL TERMS AS ADVICE RELATING TO LEGAL, TAXATION, INVESTMENT OR ANY OTHER MATTERS.

EACH PERSON RECEIVING THE BASE PROSPECTUS AND/OR FINAL TERMS ACKNOWLEDGES THAT SUCH PERSON HAS NOT RELIED ON ANY OF THE ADVISORS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF ANY INFORMATION OR ITS INVESTMENT DECISION AND EACH PERSON MUST RELY ON (1) ITS OWN EVALUATION OF THE ISSUER AND THE BONDS AND THE MERITS AND RISKS INVOLVED IN INVESTING IN THE BONDS AND (2) THEIR OWN PROFESSIONAL ADVISORS, AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE ISSUER AND WHETHER TO ACQUIRE THE BONDS.

THE BASE PROSPECTUS AND FINAL TERMS DO NOT PURPORT TO BE ALL-INCLUSIVE OR TO CONTAIN ALL THE INFORMATION THAT A PROSPECTIVE INVESTOR MAY DESIRE IN INVESTIGATING THE ISSUER OR THE BONDS ISSUANCE PROGRAMME. EACH INVESTOR MUST CONDUCT AND RELY ON ITS OWN EVALUATION AND ASSESSMENT OF THE ISSUER, THE BONDS AND THE TERMS OF THE ISSUE OF THE BONDS, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION WITH RESPECT TO THE BONDS. THE ATTENTION OF INVESTORS IS DRAWN TO SECTION 3, TITLED 'RISK FACTORS', OF THE BASE PROSPECTUS. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WHETHER AN INVESTMENT IN BONDS IS SUITABLE FOR THEM IN LIGHT OF THEIR CIRCUMSTANCES AND FINANCIAL RESOURCES.

THE ISSUER RETAINS THE RIGHT TO REJECT ANY APPLICATION FOR SUBSCRIPTION OF THE BONDS FOR ANY REASON WITHOUT BEING OBLIGED TO DISCLOSE THE SAME, AND THE TRANSFER OF OTHER TRANSACTIONS IN OR INVOLVING THE BONDS MAY BE RESTRICTED IN SPECIFIED CIRCUMSTANCES.

THE BASE PROSPECTUS AND FINAL TERMS CAN ONLY BE USED FOR THE PURPOSES FOR WHICH THEY ARE PUBLISHED. THE INFORMATION CONTAINED HEREIN WAS PREPARED BY THE ISSUER AND IS BEING FURNISHED SOLELY FOR THE PERSONAL USE BY PROSPECTIVE INVESTORS WHO RECEIVE IT IN CONNECTION WITH THE BOND ISSUANCE PROGRAMME.

THE CONTENTS OF ANY WEBSITE OF THE ISSUER OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER DOES NOT FORM PART OF THE BASE PROSPECTUS OR THE FINAL TERMS. 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 BONDS.

THE BONDS, ALL THE RIGHTS AND OBLIGATIONS OF THE BONDHOLDERS AND THE ISSUER AND ANY NON-CONTRACTUAL OBLIGATIONS ARISING OUT OF OR IN CONNECTION WITH THE BONDS, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH MALTESE LAW. THE COURTS OF MALTA SHALL HAVE EXCLUSIVE JURISDICTION TO SETTLE ANY DISPUTES THAT MAY ARISE OUT OF OR IN CONNECTION WITH THE BONDS, ALL THE RIGHTS AND OBLIGATIONS OF THE BONDHOLDERS AND/OR THE ISSUER AND ANY NON-CONTRACTUAL OBLIGATIONS ARISING OUT OF OR IN CONNECTION WITH THE BONDS.

STATEMENTS MADE IN THE BASE PROSPECTUS AND/OR THE FINAL TERMS ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

THE BASE PROSPECTUS AND FINAL TERMS ARE TO BE READ IN THEIR ENTIRETY AND CONSTRUED IN CONJUNCTION WITH EACH OTHER AND ANY SUPPLEMENT HERETO AND ANY DOCUMENTS THAT ARE INCORPORATED HEREIN BY REFERENCE.

THE BASE PROSPECTUS HAS BEEN PUBLISHED IN ELECTRONIC FORMAT ON THE WEBSITE OF THE ISSUER AND THE MALTA FINANCIAL SERVICES AUTHORITY AND THE AUTHORISED FINANCIAL INTERMEDIARIES AND IS ALSO AVAILABLE, IN PRINTED FORM, FREE OF CHARGE, FROM THE REGISTERED OFFICE OF THE ISSUER AND THE AUTHORISED FINANCIAL INTERMEDIARIES.

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 INFORMATION CONTAINED IN THE BASE PROSPECTUS AND THE FINAL TERMS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS.

THE BASE PROSPECTUS IS VALID FOR A PERIOD OF TWELVE MONTHS FROM THE DATE HEREOF. THE ISSUER IS OBLIGED TO PUBLISH A SUPPLEMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKE OR MATERIAL INACCURACIES RELATING TO THE INFORMATION SET OUT IN THE BASE PROSPECTUS WHICH MAY AFFECT THE ASSESSMENT OF THE BONDS AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE BASE PROSPECTUS IS APPROVED AND THE CLOSING OF AN OFFER PERIOD OR THE TIME WHEN TRADING ON A REGULATED MARKET COMMENCES, WHICHEVER OCCURS LATER. THE OBLIGATION TO SUPPLEMENT THE BASE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE BASE PROSPECTUS IS NO LONGER VALID. THE MALTA FINANCIAL SERVICES AUTHORITY IS NOT REQUIRED TO APPROVE THE INDIVIDUAL FINAL TERMS THAT MAY BE ISSUED PURSUANT TO THIS BASE PROSPECTUS FROM TIME TO TIME IN RESPECT OF ONE OR MORE TRanches OF BONDS.

THE BASE PROSPECTUS WAS APPROVED BY THE BOARD OF DIRECTORS OF THE ISSUER BY VIRTUE OF RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS ON 02 October 2023.

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1. DEFINITIONS

In this Base Prospectus the following words and expressions shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

'Act'	the Companies Act (Cap. 386 of the laws of Malta);
'Agora Business Centre'	the property at Valley Road, Msida, Malta consisting of an office block having four (4) floors, an intermediate floor and a receded floor, bounded on the north by the said road, on the east by property occupied by Identity Malta Agency and west by property of Louis Buhagiar or his successors in title or more accurate boundaries, having a superficial area of approximately one thousand one hundred and twenty three (1123) square meters as further described in section 7.1.1 of the Base Prospectus under the heading 'Commercial Property held for Investment';
'Agora Retail Centre'	the commercial property previously known as Express Aluminium Showroom in Mdina Road, Zebbug, Malta, built on the site known as 'Tal-Hlas' denominated as 'Taz-Zaghruna' limits of Zebbug, Malta, bounded on the south by Mdina Road, on the east by property of Jagem Company Limited or its successors in title and on the north west with Triq is-Snajja, having a superficial area of approximately eight hundred and sixteen (816) square metres as further described in section 7.1.1 of the Base Prospectus under the heading 'Commercial Property held for Investment';
'Applicant'	the applicant/s for the Bonds;
'Application'	any form of application for subscription for the Bonds;
'Architect'	Perit Mark Arrigo B.E. & A. (Hons), M.SC.(Surrey), A. & C.E., an architect and civil engineer of MA Architects, of AX Business Centre, Triq id-Difiza Civili, Mosta MST 1741, Malta;
'Aries House'	the complex, unnumbered, named 'Aries House' consisting of five (5) floors of commercial premises, namely a showroom at ground floor level, two (2) floors of underlying basement garages and two (2) floors of overlying offices, in Mdina Road, Zebbug, Malta, bounded on the south by Mdina Road, north by a new unnamed street that abuts onto Triq Tal-Hlas, and east by property of Wurth Company Limited, or more accurate boundaries, having a superficial area of approximately nine hundred (900) square metres, as further described in section 7.1.1 of the Base Prospectus under the heading 'Commercial Property held for Investment';
'Audit Committee'	the audit committee set up by the Issuer whose composition and function is set out in section 10.6 of the Base Prospectus under the heading 'Audit Committee';
'Authorised Financial Intermediary'	the financial intermediaries, details of which shall be annexed in the relevant Final Terms;

'Bank Facility'	a first demand bank guarantee of up to three million Euro (€3,000,000) issued by a reputable bank in Malta by order of the Issuer in favour of the Security Trustee acting for and on behalf of the Bondholders;
'Base Prospectus' or 'Prospectus'	this document in its entirety;
'Bond' or 'Bonds'	the bonds to be issued by the Issuer pursuant to the Bond Issuance Programme;
'Bondholder/s'	the holder/s of the Bonds;
'Bond Issuance Programme'	the issue of the Bonds being made by the Issuer pursuant to this Base Prospectus;
'Bond Issue Price'	the price of a Bond in a Tranche to be paid on subscription, which price is set out in the Final Terms applicable to a Tranche;
'Bond Obligations'	the punctual performance by the Issuer of all its obligations in relation to a Tranche, including the repayment of principal and payment of interest thereon;
'Business Day'	a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Malta settle payments and are open for normal banking business;
'Capital Markets Rules'	the capital markets rules issued by the MFSA, pursuant to the FMA and regulating prospectus, listing and trading, as amended from time to time;
'Car-Sun'	Car-Sun Limited, a private limited liability company registered under the laws of Malta on the 10 April 2019, with company registration number C 91429, and registered office at Aries House, Mdina Road, Zebbug ZBG 9016, Malta;
'Code'	the Code of Principles of Good Corporate Governance contained in Appendix 5.1 of the Capital Markets Rules;
'Conditions'	the terms and conditions of the Bonds set out in section 14 of the Base Prospectus under the heading 'Terms and Conditions of the Offer of the Bonds';
'CSD'	the central securities depository of the MSE;
'CSD Register'	the electronic register of Bondholders kept on behalf of the Issuer at the CSD;
'Directors' or 'Board of Directors'	the directors of the Issuer, as these may change from time to time, but who currently are those listed in section 10.1 of the Base Prospectus under the heading 'Directors';

'De Rohan'	De Rohan Business Centre Limited, a private limited liability company registered under the laws of Malta on the 27 January 1992, with company registration number C 13521, and registered office at Aries House, Mdina Road, Zebbug ZBG 9016, Malta;
'De Rohan Business Centre'	the portion of land numbered two (2) forming part of a bigger portion of land known as 'Tan-Nemla', limits of Zebbug, Malta, bounded on the south by Mdina Road from where the land is accessible, from the east and west with property of the Legacy of Sacerdot Antonio Saliba annexed with the Parochial Parish of Zebbug, or successors in title, having a superficial area of approximately two thousand one hundred and fifty five point five (2155.5) square metres, as further described in section 7.1.1 of the Base Prospectus under the heading 'Commercial Property held for Investment';
'Final Terms'	the final terms issued by the Issuer from time to time in the form set out in section 18 of the Base Prospectus under the heading 'Form of Final Terms', which final terms shall be applicable to a Tranche;
'FMA'	the Financial Markets Act, (CAP. 345 of the laws of Malta);
'GDPR'	General Data Protection Regulation (Regulation 2016/679) of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, the Data Protection Act (Cap. 586 of the laws of Malta) and any applicable implementing rules and regulations, as the same may be duly amended from time to time;
'Group'	the Issuer and the Subsidiaries and "Group Company" shall mean any one of them;
'Hypothec'	any hypothec/s given over a Secured Asset to be constituted by one or more of the Security Providers in favour of the Security Trustee as security for the observance by the Issuer of the Bond Obligations in respect of a particular Tranche or Series, as specified in the relevant Final Terms;
'Interest Payment Date'	the date specified in the relevant Final Terms for when interest on a Tranche shall be due;
'Issuer' or 'Company'	Agora Estates p.l.c., a public limited liability company registered under the laws of Malta on the 9 April 2019, with company registration number C 91408, and registered office at Agora Business Centre, Ground Floor, Valley Road, Msida MSD 9020, Malta;

<p>'Manager'</p>	<p>Bank of Valletta p.l.c., a public limited liability company registered under the laws of Malta on the 21 March 1974, with company registration number C 2833, and registered office at 58, Zachary Street, Valletta VLT 1130, Malta;</p>
<p>'Marsa Showroom'</p>	<p>a showroom without official number called 'J C Car Sales' situated at Triq il-Labour, Albert Town, Marsa, Malta, with a further entrance from Triq is-Xwieni, which entrance is also unnumbered and unnamed, and which showroom is in part underlying third party property, bounded on the south by Triq il-Labour, and in part by property of Concorde Freight Services Limited, on the east by a showroom called 'Redeemer Furniture' and on the west in part by Triq ix-Xwieni, and in part by third party property, having a superficial area of approximately two hundred seventy (270) square meters, as further described in section 7.1.1 of the Base Prospectus under the heading 'Commercial Property held for Investment';</p>
<p>'Maturity Date'</p>	<p>the date upon which the Bonds under a Tranche will be redeemed in full by the Issuer, which date shall be set out in the relevant Final Terms;</p>
<p>'MFSA'</p>	<p>the Malta Financial Services Authority of Triq l-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta, the competent authority in Malta for purposes of the Prospectus Regulation;</p>
<p>'MSE'</p>	<p>Malta Stock Exchange PLC, a public limited liability company registered under the laws of Malta on the 5 October 2007, with company registration number C 42525, and registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, duly licensed to operate as a regulated market and central securities depository pursuant to the FMA;</p>
<p>'Nominal Value'</p>	<p>the nominal value of a Bond as set out in Final Terms applicable to a Tranche;</p>

'Offer Period'	the period during which a Tranche shall be on offer, as set out in the relevant Final Terms;
'Official List'	the list prepared and published by the MSE including all financial instruments admitted to trading on the MSE;
'Placement Agreements'	the conditional placement agreements entered into or to be entered into, as the case may be, between the Issuer and the Authorised Financial Intermediaries, as may be set out in the relevant Final Terms;
'Private Debt'	the debt arising pursuant to a private issue of €3,500,000 zero coupon secured callable notes 2023-2024 undertaken by the Issuer pursuant to an offering document dated 15 February 2023 and as better described in Section 6.4.1 of this Base Prospectus under the heading 'Private Debt';
'Property Companies'	Zammit Estates, De Rohan and/or Car-Sun and each one a "Property Company" ;
'Property Valuation Report'	the report drawn up by the Architect in terms of Chapter 7 of Capital Markets Rules referring to the property owned by the Group reproduced in condensed format pursuant to the Capital Markets Rules in Annex 1 to the Base Prospectus;
'Prospectus Regulation'	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;
'Record Date'	fifteen (15) Business Days before the due date for relevant payment;
'Redemption Price'	the price at which a Tranche shall be redeemed on the relevant Maturity Date, which price is referred to in the applicable Final Terms;
'Registrar'	Bank of Valletta plc, a public limited liability company registered under the laws of Malta on the 21 March 1974, with company registration number C 2833, and registered office at 58, Zachary Street, Valletta VLT 1130;
'Security' or 'Security Interest'	any Hypothecs and any other security which may be held in trust for the Bondholder/s under the terms of a trust deed including, <i>inter alia</i> , the Bond proceeds prior to release by the Security Trustee, as specified in the relevant Final Terms;
'Security Provider'	any person specified in the relevant Final Terms, providing all or part of the Security Interest;
'Secured Asset'	the immovable property subject to a Hypothec forming part of the Security Interest, as specified in the relevant Final Terms;
'Security Trust Deed'	the trust deed to be signed by the Issuer and the Security Trustee, and a Security Provider where applicable;

'Security Trustee'	CSB Trustees and Fiduciaries Limited, a private limited liability company registered under the laws of Malta on the 21 December 2006, with company registration number C 40390, and registered address Level 3, Tower Business Centre, Tower Street, Swatar, Birkirkara BKR 4013, Malta (duly authorised and qualified to act as a trustee in terms of article 43(3) of the Trusts and Trustees Act (Cap. 331 of the laws of Malta));
'Series'	one or more Tranches of Bonds, which are expressed to be consolidated and forming a single series and identical in all respects except for the issue dates, interest commencement dates, issue prices and possibly interest payment days;
'Sponsor'	Jesmond Mizzi Financial Advisors Ltd, a private limited liability company registered under the laws of Malta on the 9 September 2002, with company registration number C 30176, and registered address of 67/3 South Street, Valletta VLT 1105, Malta;
'Supplement'	any supplement to this Base Prospectus which may be issued from time to time by the Issuer;
'Subsidiaries'	the subsidiaries of the Issuer as provided for in Section 6.3 of this Base Prospectus under the heading 'Other Subsidiaries';
'Ta' Qenc Property'	the commercial property built on the site known as 'Tal-Qenc' in the district of Ta' I-Gharbi limits of Zebbug, Malta, bounded on the east by Sqaq il-Qenc, on the north and south by third party property, having a superficial area of approximately one thousand six hundred and eleven (1611) square metres, as further described in section 7.1.1 of the Base Prospectus under the heading 'Commercial Property Held for Investment';
'Tranche'	a tranche of Bonds issued pursuant to the Bond Issuance Programme pursuant to this Base Prospectus (as may be supplemented or amended from time to time) and the relevant Final Terms;
'Zammit Estates'	J. Zammit Estates Limited, a private limited liability company registered under the laws of Malta on the 30 March 2011, with company registration number C 52422, and registered address at Aries House, Mdina Road, Zebbug ZBG 9016, Malta, formerly known as JMC Property Co Limited; and
'Zammit Holdings'	Zammit Holdings Limited, a private limited liability company registered under the laws of Malta on the 16 April 2015, with company registration number C 70104, and registered address at Aries House, Triq Tal-Hlas, Zebbug ZBG 9016, Malta.

Unless it otherwise appears 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) the word 'person' shall refer to both natural and legal persons;
- e) any phrase introduced by the terms "including", "include", "in particular" or any similar expression is illustrative only and does not limit the sense of the words preceding those terms;
- 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 issue of this Base Prospectus; and
- g) any reference to 'Malta' is to the Islands of Malta.

2. GENERAL DESCRIPTION OF THE BONDS ISSUANCE PROGRAMME

Under the Bond Issuance Programme, the Issuer may, from time to time, issue Bonds in one or more tranches. The maximum aggregate principal amount of the Bonds from time to time outstanding under the Bond Issuance Programme shall not exceed €21,000,000.

The reason for the offer and use of proceeds will be provided in the relevant Final Terms but are generally expected to go towards re-financing, capital expenditure and used to meet general corporate funding requirements of the Group.

The Bonds may be issued on a continuing basis and may be distributed by way of offers to the public and, or intermediaries' offers including placements with Authorised Financial Intermediaries, for their own account, or on account of their underlying investors. The method of distribution of each Tranche will be stated in the applicable Final Terms.

Subject to the restrictions and conditions set out in this Base Prospectus, the categories of prospective investors to which the Bonds are intended to be offered are retail investors in Malta. A proportion of any Tranche may be reserved for subscription by specified classes of investors, including but not limited to holders of existing securities issued by the Issuer as at the date hereof. There are no restrictions on the free transferability of the Bonds.

Bonds will be issued in Tranches, each Tranche consisting of Bonds which are identical in all respects except for the issue amount, the issue dates, interest commencement dates, and possibly Interest Payment Dates, Bond Issue Price, Maturity Date and Security. One or more Tranches, which are expressed to be consolidated and forming a single Series and identical in all respects, except for issue amount, issue date, interest commencement dates, and possibly, Interest Payment Date, Bond Issue Price, Maturity Date or Security may form a single Series of Bonds. Bonds may be issued as part of an existing Series or as a new Series. The specific terms governing each Tranche will be set forth in the applicable Final Terms.

Bonds will be issued bearing a fixed rate of interest throughout the entire term of the Bonds and will be payable on that basis (as specified in the applicable Final Terms). Bonds will be issued at the Bond Issue Price which is at par or at a discount to, or a premium over, par.

Bonds will be issued in such denominations as may be determined by the Issuer and as indicated in the applicable Final Terms.

The Issuer shall notify the public of the method of publication of the Final Terms by means of electronic publication on the website of the Issuer (www.agora-estates.com). Any notice so given will be deemed to have been validly given on the date of such publication.

Tranches may be issued and offered under the Bond Issuance Programme for a period of up to 12 months from date of approval of the Base Prospectus. Application will be made in respect of the admission to trading of individual Tranches on the Official List of the MSE.

3. RISK FACTORS

PRIOR TO ANY DECISION TO INVEST IN THE ISSUER, POTENTIAL INVESTORS SHOULD CAREFULLY READ AND ASSESS THE FOLLOWING RISKS AND ALL OTHER INFORMATION CONTAINED IN THE BASE PROSPECTUS AND ANY APPLICABLE FINAL TERMS AND CONSULT WITH THEIR OWN PROFESSIONAL ADVISORS SHOULD THEY CONSIDER IT NECESSARY, BEFORE DECIDING ON PURCHASING THE BONDS.

THE RISK FACTORS SET OUT BELOW ARE THOSE WHICH ARE MATERIAL WHEN TAKING AN INFORMED DECISION WHETHER TO INVEST IN THE BONDS. IN MAKING THEIR ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE BASED SUCH ASSESSMENT ON THE NEGATIVE EFFECT ON THE ISSUER AND THE PROBABILITY THAT THE RISK FACTOR OCCURS, IF THE RISK FACTOR WERE TO MATERIALISE. THE MOST MATERIAL RISK FACTORS, AS ASSESSED BY THE DIRECTORS, ARE MENTIONED FIRST UNDER EACH CATEGORY AS AT THE DATE OF THE BASE PROSPECTUS.

THE RISKS DISCUSSED BELOW ARE THOSE IDENTIFIED AS MATERIAL BY THE ISSUER AT THE DATE OF THE BASE PROSPECTUS. THESE RISKS MAY NOT BE THE ONLY ONES, AND ADDITIONAL RISKS MAY ARISE OF WHICH THE ISSUER ARE NOT CURRENTLY AWARE, THAT MAY HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S BUSINESS PROSPECTS, FINANCIAL CONDITION OR OPERATIONS AS WELL AS THE PRICE OF THE BONDS.

SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES THAT MAY OR MAY NOT OCCUR, AND THE ISSUER IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

IF THESE RISKS MATERIALISE, INDIVIDUALLY OR TOGETHER WITH OTHER CIRCUMSTANCES, THEY MAY SUBSTANTIALLY IMPAIR THE BUSINESS OF THE GROUP AND HAVE MATERIAL ADVERSE EFFECTS ON THE GROUP'S BUSINESS PROSPECTS, FINANCIAL CONDITION OR RESULTS OR OPERATIONS, AND THE PRICE OF THE BONDS MAY DECLINE, CAUSING INVESTORS TO LOSE ALL OR PART OF THEIR INVESTED CAPITAL. AS ASSETS OF THE ISSUER ARE HELD BY VARIOUS SUBSIDIARIES, THE RISKS ASSOCIATED BY THE GROUP WILL ALSO BE RELEVANT FOR THE ISSUER.

IN ADDITION, INVESTORS SHOULD BE AWARE THAT SEVERAL RISKS MIGHT OCCUR SIMULTANEOUSLY AND THUS HAVE, POSSIBLY TOGETHER WITH OTHER CIRCUMSTANCES, A STRONGER IMPACT.

AN INVESTMENT IN THE ISSUER IS SUITABLE ONLY FOR INVESTORS WHO UNDERSTAND THE RISK FACTORS ASSOCIATED WITH THIS TYPE OF INVESTMENT AND WHO CAN AFFORD A LOSS OF ALL OR PART OF THEIR INVESTMENT.

NEITHER THE BASE PROSPECTUS OR FINAL TERMS, NOR ANY OTHER INFORMATION CONTAINED HEREIN OR SUPPLIED IN CONNECTION WITH THE BONDS ISSUED BY THE ISSUER IS (I) INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, OR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE AUTHORISED FINANCIAL INTERMEDIARY THAT ANY RECIPIENT OF THE BASE PROSPECTUS AND FINAL TERMS OR OF ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY BONDS ISSUED BY THE ISSUER. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS IN THE BASE PROSPECTUS AND FINAL TERMS.

3.1 *General Risk Factors*

3.1.1 *Forward Looking Statements*

The Base Prospectus includes statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places within the Base Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer and/or the Directors concerning, amongst other things, the Issuer's strategy and business plans, results of operations, financial condition, liquidity, prospects, dividend policy of the Issuer and the market in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Issuer's actual results of operations, financial condition, liquidity, dividend policy and the development of its strategy may differ materially from the impression created by the forward-looking statements contained in the Base Prospectus. In addition, even if the results of operations, financial condition, liquidity and dividend policy of the Issuer are consistent with the forward-looking statements contained in the Base Prospectus, 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, changes in economic conditions, legislative and regulatory developments, changes in fiscal regimes and the availability of suitable financing.

Potential investors are advised to read the Base Prospectus in its entirety, and, in particular, all the risk factors set out in the Base Prospectus, for a description of the factors that could vary the Company's future performance. In the light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur.

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

3.2 *Risk Factors Specific to the Issuer*

3.2.1 *Dependence of the Issuer on the Property Companies*

The Issuer is a holding company and financing arm for the Group, having previously raised funds through the Private Debt. As such, it does not conduct its operative business itself but does so through the operations of the Group. In order to service the Bonds, the Property Companies need to continue to achieve positive cash flows from operating activities.

The Issuer's ability to make scheduled payments on, or to refinance its obligations with respect to its indebtedness, including the Bonds, will depend on the Group's financial and operating performance, which in turn will be affected by general economic conditions and by financial, competitive, regulatory and other factors beyond its control.

The Property Companies may be unable to generate sufficient cashflow to satisfy the Issuer's debt obligations including repayment of principal and interests on the Bonds. In such a case, the Issuer may have to undertake alternative financing plans but refinancing may not be possible or additional financing may not be obtainable on acceptable terms.

The Property Companies are property holding companies. Property is a relatively illiquid asset which may affect the Property Companies' ability to service the Bonds. The Property Companies may find difficulties in disposing of a property or liquidating its property portfolio in a timely fashion, and at satisfactory prices. In case the Issuer needs to rely on the sale of properties by the Property Companies including the Secured Assets, it may be difficult to sell any such assets or these, once sold, may fetch lower than expected proceeds. Thus notwithstanding that the Bond Obligations are secured by the Secured Assets, the Issuer may still find itself unable to satisfy its obligations under the Bonds.

3.2.2 *Failure to Extend Bank Facility*

In the event the Bank Facility is not extended or is terminated by the respective credit institution at any time prior to

settlement of the Bond Obligations and Issuer fails to replace same, the Issuer shall be in default. To the extent that the Issuer is in default, there is a risk that it will be unable to satisfy payment obligations under the Bonds.

3.3 Risk Factors Specific to the Group

3.3.1 Dependence on Full Occupancy and Increasing Rent

The commercial success of the Group depends significantly on its ability to retain high occupancy rates, reducing operating costs whilst increasing rent levels. This will depend on several factors including the demand for properties, the local market rent, refurbishment and on measures that will be undertaken over time, and tenant turnover. Thus a loss of rent, rent reductions and increased vacancies would lead to a decline in total current forecasted rental income. There is therefore a risk that the Property Companies will be less profitable if demand for commercial space declines as this may lead to an increase in vacancy rates. If tenants fail to meet their rent payment obligations in whole or in part (e.g. due to a deterioration of their economic situation or a deterioration of their business activity), or if larger numbers of tenants give notice of termination without the Property Companies being able to re-let the relevant leased properties within a reasonable time period, the Group could sustain a decrease in current rental income, which could have a significant adverse effect on its results of operations. To the extent that the Property Companies are able to re-let a relevant property, there is a risk that they will not be able to do so on terms attractive to them.

3.3.2 Dependence on Demographic and Economic Developments in Malta

The Property Companies are property owning companies, dependent on tenancies and resale of properties, and so their business activities are affected by demographic, economic and political factors. These developments place a decisive role in determining property prices, sales of properties, and rent levels, turnover and vacancy rates. Should the demand for office and retail space decrease, such decline may adversely affect the Property Companies' abilities to achieve high occupancy rates and average rent levels in so far as concerns those properties held by it for investment, and may adversely affect the Property Companies' ability to sell those properties held by it for resale and to sell them at their market value.

3.3.3 Development and Construction

From time to time the Group undertakes the development of new properties for its property portfolio. Development projects are subject to a number of risks that may result in the costs exceeding those foreseen or the delivery of the project being delayed. Such risks may negatively impact the financial performance of the Group due to higher costs incurred and/or delay in the generation of rental income. Cost overruns may also result in the Group having difficulties in the sourcing of funds necessary for meeting such overruns, which may lead in the delay of completion of the development and which could have a material adverse impact on the financial condition, operations and prospects of the Group.

Furthermore, a significant risk when developing property is related to the health and safety of employees and third parties, including the risk of serious injury or even fatality. Any failure in health and safety performance may result in penalties for non-compliance with the relevant regulatory requirements, and a failure which results in a major or significant health and safety incident, such as injury to, or fatality of, members of the construction workforce or bystanders may be costly in terms of potential liabilities arising as a result, as well as the generation of adverse publicity having a negative impact on the Group's reputation. There can be no assurance that the Group's health and safety policies and practices will prove effective in ensuring the health and safety on its property development sites, which may expose the Group to liability for damages, as well as to the risk of adverse publicity. These risks may adversely impact the Group's financial condition, results of its operations and its prospects.

3.3.4 Property Valuations

Valuation of property is intrinsically subjective and based on a number of assumptions at a given point in time, and there can be no assurance that any such property valuations and property-related assets will reflect actual market values. In addition, property valuations are influenced by a variety of factors such as changes in regulatory requirements and applicable laws, political and social conditions, the financial markets, consumer spending power, and interests and inflation rate fluctuations. Valuers also make their assessment based on a number of 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. Consequently, the net realisable value of the Secured Assets may decrease, which decrease could have a material adverse effect on the Issuer's and Property Companies' obligations to repay the Bonds.

3.3.5 Subordination to other Indebtedness

There is nothing that restricts any company in the Group from taking loans and providing its property as security for the indebtedness. Situations may arise where an entity could be forced to sell the respective property under time pressure or unfavourable conditions, which may lead to a sale of property at lower prices than originally expected, which in turn may lead to the Group having insufficient funds to pay its debts when due or to fund other liquidity needs. In the event of the liquidation or similar proceeding of a Property Company (including possibly, a Security Provider), to the extent that such Property Company provides its assets as security for other indebtedness without also securing the debt financed by the proceeds of the Bond Issuance Programme, the secured debt will effectively be senior to the debt financed by the proceeds of the Bond Issuance Programme and the Issuer shall be paid *pari passu* with other unsecured creditors. All creditors of a Property Company will also be paid first before any distributions to the Issuer in its capacity as direct and indirect shareholder in the Property Company. In all such cases, the Issuer may thus not benefit from the assets of the Group other than the relevant Secured Assets. The Issuer may also provide security for other indebtedness which will rank prior to the Bonds, in which case the said preferred creditors will rank prior to the Bondholders who will be paid, if at all, after preferred creditors and *pari passu* with other unsecured creditors.

3.3.6 Risks relating to the failure to implement environmental, social and governance considerations

There is a growing expectation for companies to integrate sustainability risks and consider sustainability factors in their day-to-day management and their decision-making processes. The industry is aware of the importance being given to a property's environmental performance and the economic health and wellness related to it and of those who use it. Regulation in this respect is on the increase as government and industry bodies mandate in favour of green reporting standards. If such standards are poorly managed or implemented, they can have a significant impact on the Issuer's reputation, finances and long-term viability.

3.3.7 Losses Exceeding Insurance Coverage

The properties held by the Property Companies are insured against losses due to fire, flooding, earthquakes and other natural hazards to the extent usual for its business. Insurance policies are subject to exclusions and limitations of liability. In addition, insurers could become insolvent. The said properties do not have coverage against inflation, changes in planning laws or regulations, building codes, title defects and defective construction.

Should an uninsured loss or a loss in excess of the insurance limits occur, the relevant Property Company may lose capital invested in the affected property as well as anticipated income and capital appreciation from the said property. In such circumstances the relevant Property Company may incur further costs to repair further damage caused by uninsured risks. The Group may thus experience material losses in excess of insured proceeds which could have a material adverse effect on the net assets, financial condition and results of operations of the Group.

3.4 Risk Factors Specific to the Bonds

3.4.1 Suitability of Investment

An investor in the Issuer and the Bonds may not be suitable for all recipients of the Base 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 Bonds before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor:

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

3.4.2 Status and ranking of the Bonds

The Bonds, as and when issued and allotted, shall constitute the general, direct, unconditional obligations of the Issuer. The Bonds may be secured by the Security Provider/s (as specified in the relevant Final Terms) and shall at all times rank *pari passu* without any priority or preference among themselves. However, whilst the Bond Obligations may be secured by a Security Interest, they may rank after causes of preference which may be constituted by operation of law or by the Issuer or a Security Provider to secure any indebtedness undertaken by it. There can be no guarantee that privileges accorded by law in specific situations or priority or preference given by the Issuer and/or a Security Provider to preferred creditors will not arise during the course of the business of each of the Issuer and the Security Provider/s which may rank with priority or preference, in whole or in part, to the Bonds and the Security Interest.

3.4.3 Dependence of Market Price on Various External Factors

The development of the market price of the Bonds will depend on various factors, including but not limited to changes of market interest rate levels, overall economic developments, inflation rates, the lack of demand for the Bonds, etc. Bondholders are therefore exposed to the risk of an unfavourable development of the market price of their Bonds and may be exposed to the risk of a lower yield than expected, if they sell the Bonds prior to Maturity Date.

3.4.4 Market Value of the Bonds Dependent on Market Interest Rates

The Bonds have a fixed rate of return which carries the risk that the prices of the Bonds can fall as a result of changes in the interest rate on the market. If the return of a security is fixed for the entire duration of such security, the current interest rate on the capital markets typically changes on a daily basis. As the market interest rate changes, the price of a security with a fixed interest rate also changes, but in the opposite direction. If the market interest rate increases, the price of a security with a fixed rate of return typically falls until the yield of such security approximately equals the market interest rate. If the market interest rate decreases, the price of a fixed rate of return security typically increases, until the yield of such security is approximately equal to the market interest rate.

3.4.5 Liquidity of the Bond Market

A liquid market for the Bonds may not develop, or if it does, it may not continue. Application has been made to the MSE and to trading on its regulated market. The fact that the Bonds are listed will not necessarily lead to greater liquidity. In an illiquid market, an investor is subject to the risk that it will not be able to sell the Bonds at any time at fair market prices.

3.4.6 Discontinuation of Listing

Even after the Bonds are admitted to trading on the MSE, the Issuer is required to remain in compliance with certain

requirements relating *inter alia* to the free transferability, clearance and settlement of the Bonds in order to remain a listed company in good standing. The MFSA also has the authority to suspend trading or listing of the Bonds if, *inter alia*, it comes to believe that such a suspension is required for the protection of investors or the integrity or reputation of the market. The MFSA may discontinue the listing of the Bonds on the MSE. Any such trading suspensions or listing revocations/discontinuations could have a material adverse effect on the liquidity and value of the Bonds.

3.5 Risk Factors Specific to the Security Interest

3.5.1 Value of the Security Interest

The trust deed in relation to any Security Interest will grant the Security Trustee a right of preference and priority for repayment over the Security Interest, however, there can be no guarantee that the value of the Security Interest over the term of the Bonds will be sufficient to cover the full amount of interest and principal outstanding under the Bonds. This may be caused by a number of factors not least of which general economic factors that could have an adverse impact on the value of the Security Interest. If such circumstances were to arise or subsist at the time when the Hypothec/s is/are to be enforced by the Security Trustee, it could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Bonds.

4. PERSONS RESPONSIBLE AUTHORISATION STATEMENT AND CONSENT FOR USE

4.1 Persons Responsible

THE DIRECTORS OF THE ISSUER WHOSE NAMES APPEAR IN SECTION 10.1 OF THE BASE PROSPECTUS UNDER THE HEADING 'DIRECTORS' ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE BASE PROSPECTUS. TO THE BEST OF THE DIRECTORS' KNOWLEDGE AND BELIEF, WHO HAVE TAKEN ALL REASONABLE CARE TO ENSURE SUCH IS THE CASE, THE INFORMATION CONTAINED IN THE BASE PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY.

4.2 Authorisation Statement

The Base Prospectus has been approved by the MFSA as competent authority under the Prospectus Regulation and the FMA.

The MFSA only approves the Base Prospectus 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 that is the subject of the Base Prospectus.

Investors should make their own assessment as to the suitability of investing in the Bond Issuance Programme.

4.3 Consent for Use

Tranches may be subscribed for through any of the Authorised Financial Intermediaries in terms of the Base Prospectus and applicable Final Terms, and any subsequent resale, placement or other offering of 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 Base Prospectus and applicable Final Terms (and accepts responsibility for information contained therein) with respect to any such subsequent resale or placement or other offering of Bonds, provided this consent is limited only:-

- a) in respect of Bonds subscribed for through the Authorised Financial Intermediaries;
- b) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place in Malta;
- c) the resale, placement or other offering of Bonds is only made during the Offer Period;
- d) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place within the period of 12 months from the date of the Base Prospectus.

None of the Issuer, Sponsor, Manager or Registrar or any of their respective advisers 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, placement or other offering of the Bonds.

Other than as set out above, the Issuer, Sponsor, Manager or Registrar has not authorised (nor do they authorise or consent to the use of the Base Prospectus and applicable Final Terms) the making of any public offer of the Bonds by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Issuer or Sponsor, Manager or Registrar and none of the Issuer, Sponsor, Manager or Registrar has any responsibility or liability for the acts of any person making such offers.

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

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

In the event of resale, placement or other offering of the 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 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 Base Prospectus or Final Terms, it will be the responsibility of the Authorised Financial Intermediary at the time of such resale, placement or other offering to provide the investor with that information and neither the Issuer, Sponsor, Manager, Registrar or other Authorised Financial Intermediary has responsibility or liability for such information.

Any Authorised Financial Intermediary using the Base Prospectus or applicable Final Terms in connection with a resale, placement of other offering of the Bonds shall, limitedly for the duration of the applicable Offer Period publish on its website a notice to the effect that it is using the Base Prospectus, and applicable Final Terms, for such resale, placement or other credit 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 issuance of the Base Prospectus and applicable Final Terms, as the case may be, will be made available on the Issuer's website at www.agora-estates.com.

Final Terms will be made available through a company announcement which will also be made available on the Issuer's website at www.agora-estates.com.

5. ADVISERS, SECURITY TRUSTEE AND STATUTORY AUDITORS

5.1 Advisers

The persons listed under this sub-heading have advised and assisted the Directors of the Issuer in the drafting and compilation of the Base Prospectus.

Legal Advisors

Michael Sciriha Advocates, 58, Old Bakery Street, Valletta VLT 1454, Malta

and

MamoTCV Advocates, Palazzo Pietro Stiges, 103 Strait Street, Valletta VLT 1436, Malta

Financial Adviser

Grant Thornton Limited, Fort Business Centre, Level 2 Triq L-Intornjatur, Zone 1, Central Business District, Birkirkara CBD 1050, Malta.

Sponsor

Jesmond Mizzi Financial Advisors Ltd, 67/3 South Street, Valletta VLT 1105, Malta.

Manager and Registrar

Bank of Valletta plc, 58, Zachary Street, Valletta VLT 1130, Malta

5.2 Security Trustee

CSB Trustees and Fiduciaries Limited, Level 3, Tower Business Centre, Tower Street, Swatar, Birkirkara BKR 4013, Malta.

5.3 Statutory Auditors

Equis Assurance Limited of Nouv MRO Frank Galea Road, Zebbug ZBG 9019, Malta are the statutory auditors of Issuer.

The historical financial statements of the Issuer for the financial year 2020 were audited by Busuttil & Micallef CPAs while the financial statements for the financial years 2021 and 2022 were audited by Equis Assurance Limited. Equis Assurance Limited is a firm of certified public accountants holding a practicing certificate to act as auditors (registration number AB/2/21/14) in terms of the Accountancy Profession Act (Chapter 281 of the laws of Malta). Equis Assurance Limited was formed as a result of the merger between Busuttil and Micallef CPAs (registration number AB/26/84/45), Nicholas Vella CPA and Paul Bugeja CPA (who has in the meantime resigned with effect from 31 December 2022). Busuttil and Micallef CPAs were auditors of the Issuer prior to 24 March 2022.

6. INFORMATION ABOUT THE ISSUER AND THE GROUP

6.1 The Issuer

Legal Name of the Issuer:	Agora Estates p.l.c.
Registered Address:	Agora Business Centre, Ground Floor, Valley Road, Msida MSD 9020, Malta.
Activity:	Holding and finance company. The Issuer is mainly dependent on the business prospects of the Group.
Place of Registration and Domicile:	Malta
Registration Number:	C 91408
Date of Registration:	09 April 2019
Legal Form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act
Telephone No:	+356 27779200
Email Address:	info@agora-estates.com.mt
Website:	www.agora-estates.com *
LEI:	254900PHXYIY2GIITE65

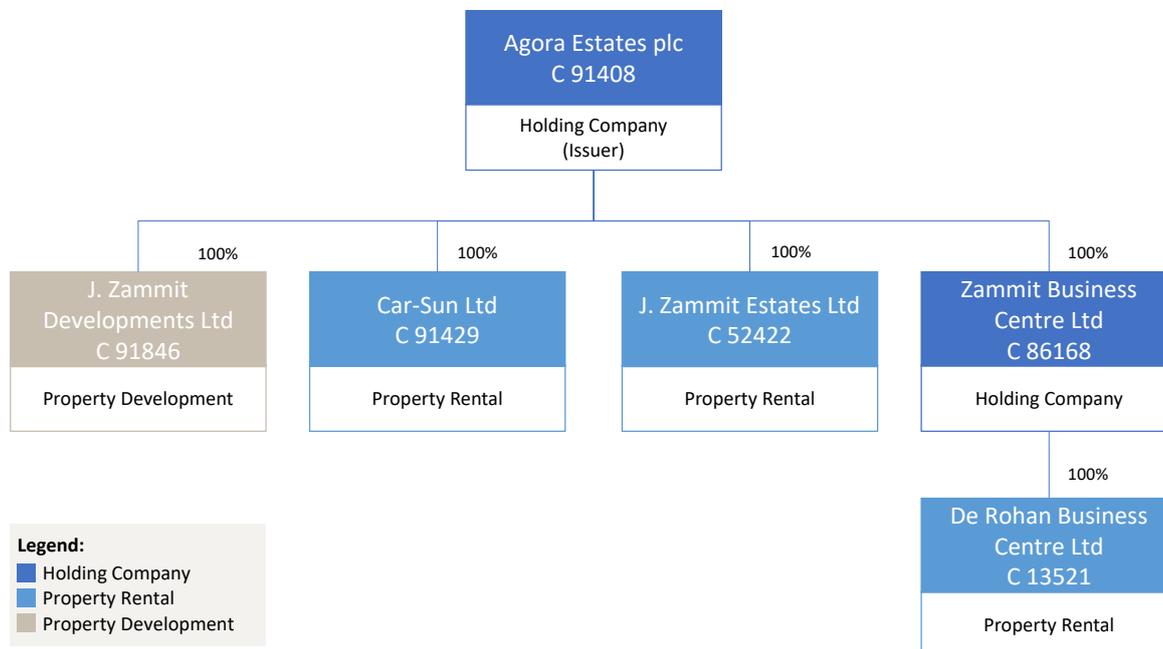
*Unless incorporated by reference into the Base Prospectus, any information contained in the said website does not form part of the Base Prospectus.

The Issuer is owned by Zammit Holdings, save for two (2) shares which are owned by James Zammit personally, ultimate beneficial owner of Zammit Holdings.

The Issuer was set up with the primary aim of investing in group companies, whilst providing them with relevant finance to finance their business activities. The Issuer has power to raise monies for the said purpose, including through the issuance of bonds. A more detailed description of the Issuer's objects and purposes can be found in the memorandum and articles of association of the Issuer, a copy of which is available for inspection as provided for in section 17 of the Base Prospectus under the heading 'Documents on Display'.

6.2 Structure Chart

The chart below shows the current structure of the Group.



6.3 Other Subsidiaries

6.3.1 J. Zammit Developments Limited

J. Zammit Developments Limited was established on the 16 May 2019 and has an authorised share capital of €1,500 and an issued share capital of 1,200 ordinary shares of €1 each fully paid up. It is a wholly-owned subsidiary of the Issuer.

This company is involved in property development.

6.3.2 Car-Sun Ltd.

Car-Sun Ltd was established on the 10 April 2019 and has an authorised share capital of €2,500 and an issued share capital of 20,050 ordinary shares of €0.1 each fully paid up. It is a wholly-owned subsidiary of the Issuer.

This company is involved in property rental.

6.3.3 J. Zammit Estates Limited.

J. Zammit Estates Limited was established on the 30 March 2011 and has an authorised share capital of €1,000,000 and an issued share capital of 100,000 ordinary shares of €1 each fully paid up. It is a wholly-owned subsidiary of the Issuer.

This company is involved in property rental.

6.3.4 Zammit Business Centre Ltd.

Zammit Business Centre Limited was established on the 07 May 2018 and has an authorised share capital of €1165.50 and an issued share capital of €1165.50 divided into 116,550 ordinary shares of €0.01 each fully paid up. It is a wholly-owned subsidiary of the Issuer.

This company is a holding company and owns 100% of the issued share capital in De Rohan business Centre Ltd.

6.3.5 De Rohan Business Centre Ltd.

De Rohan Business Centre Limited was established on the 27 January 1992 and has an authorised share capital of €499,999.91 and an issued share capital of 214,650 ordinary shares of €2.329373 each fully paid up. It is a wholly-owned subsidiary of Zammit Business Centre Ltd.

This company is involved in property rental.

6.4 Financing and Financial Solvency

6.4.1 Private Debt

On 15 February 2023, the Issuer raised €3,148,800 through the issuance of callable notes 2023-2024. The notes are redeemable on 27 February 2024, at a redemption price of €101 per note. The Issuer has the option to call back the notes between 1 August 2023 and 30 November 2023, subject to an additional premium of 2% over and above of the prevailing premium, at €103 per note. Furthermore, the notes can be converted with preference of allocation. The security provided in terms of the Private Debt is outside of the assets of the Group.

7. BUSINESS OVERVIEW

7.1 Principal Activities and Markets

The principal activity of the Group is to identify, acquire and develop immovable property, whether residential or commercial. The primary objective is to hold an investment property portfolio for rental investment and capital appreciation, whilst also developing property for resale.

Commercial property held in the portfolio mainly comprises retail outlets in the lower floors and office spaces on the upper floors. These are normally rented out to third parties.

As at 30 June 2023, property held on inventory comprises apartments and penthouse at Iklin, and an apartment and garage in Siggiewi which has since then been sold in October 2023.

The current market value of the properties held by the Group as at 31 December 2022, is of approximately forty three million six hundred thousand euro (€43,600,000).

7.1.1 Commercial Property Held for Investment

The Group, mainly through the Property Companies, owns a portfolio of ten (10) commercial and one (1) residential property, which properties are held for rental income and capital appreciation. These properties are strategically located in the central region of Malta and comprise showrooms and offices of various sizes. Some of these properties are already leased out, whilst others are being developed or refurbished for eventual leasing out.

- Agora Business Centre

The largest leased property consists of the Agora Business Centre. The Agora Business Centre was acquired by Zammit Estates on the 7 March 2018. It consists of offices and a cafeteria at ground floor level, a carpark at first floor level and a further three floors consisting of office space.

Save for part of the ground floor occupied by the Issuer and a related company and the penthouse level which has been recently completed, the Agora Business Centre is currently leased to third parties pursuant to lease agreements between Zammit Estates and such third parties. All lease agreements are for a term of ten (10) years, the first 5 years being fixed, such that the agreement cannot be terminated during that period. Thereafter a tenant may choose not to renew the agreement following termination of the said five (5) year period, and on every year thereafter on each anniversary thereof. Zammit Estates retained responsibility for the structural repairs of the building, whilst the

tenants are responsible for all ordinary maintenance and repair of the leased premises.

- *Agora Retail Centre*

The Agora Retail Centre was acquired by Zammit Estates on the 15 February 2022. It is a property prominently situated on a corner in Mdina Road, Zebbug, Malta comprising three levels of retail space, a semi basement level which can be used for warehousing and two below ground levels directly accessible from Triq is-Snajja, Zebbug, for parking and/or warehousing.

The Agora Retail Centre is currently fully occupied by third parties pursuant to lease agreements between Zammit Estates and such third parties. All lease agreements are for a term of ten (10) years (save for one agreement which is for nine years seven months), the first 5 years being fixed, such that the agreement cannot be terminated during that period. Thereafter a tenant may choose not to renew the agreement following termination of the said five (5) year period and on year thereafter on each anniversary thereof. Zammit Estates retained responsibility for the structural repairs of the building, whilst the tenants are responsible for all ordinary maintenance and repair of the leased premises.

- *De Rohan Business Centre*

The De Rohan Business Centre was acquired on temporary emphyteusis for a period of one hundred and fifty (150) years on 1 July 1996. It is subject to annual ground rent of forty-three euro (€43) per annum, payable in advance, and revisable every twenty five (25) years. Other than as aforesaid, the property is free and unencumbered.

It is currently an excavated site and an amendment application PA 452/23 to renew and amend the last planning permit PA 1017/09 has been filed with the planning authorities. It is the intention to develop the site into a commercial development consisting in underground basement parking, a showroom at ground floor and offices class 4A at upper levels. The amendment application PA 452/23 referred to above includes application for an additional one basement level for parking and a receded level for office use, which application is still under consideration.

De Rohan Business Centre is expected to be developed between 2024 and 2026 and should be completed and available for rent as from 2026. Once completed, the De Rohan Business Centre shall be leased out to third parties.

- *Aries House*

Aries House consists of a showroom at ground floor level, a lower and upper basement level for parking with an area for VRT testing, a first floor and an overlying receded floor used as offices. Car-Sun will be constructing further office space on the receded part of the second floor.

Except for 235 sqm at first floor level and 350 sqm at lower basement level, the leasable area of Aries House is currently fully occupied by third parties pursuant to lease agreements between Zammit Estates and such third parties. All lease agreements are for a term of ten (10) years, the first 5 years being fixed, such that the agreement cannot be terminated during that period. Thereafter a tenant may choose not to renew the agreement following termination of the said five (5) year period and on every year thereafter on the anniversary thereof.

Part of the first floor and the receded second floor do not form part of the leasable area and are occupied by related parties of the Issuer.

- *Marsa Showroom*

The Marsa Showroom was acquired by Zammit Estates on the 22 June 2017.

The Marsa Showroom comprises a basement, ground floor and intermediate level. It is currently leased to one tenant for a term of ten (10) years, the first 5 years being fixed, such that the agreement cannot be terminated during that period. Thereafter a tenant may choose not to renew the agreement following termination of the said five (5) year period and on every year thereafter on the anniversary thereof. The building is rented out as a showroom for vehicles and boats and an ancillary service station. Zammit Estates retained responsibility for the structural repairs of the building, whilst the tenant is responsible for all ordinary maintenance and repair of the leased premises.

- *Ta' Qenc Property*

The Ta' Qenc Property owned by Zammit Estates consists of three (3) basement parking levels, a warehouse (Class 6A) at ground level and office (Class 4A) at intermediate level. It is currently rented to a sole tenant for a period of ten (10) years, the first five (5) years being fixed such that the agreement cannot be terminated during that period.

- *Other Properties*

Other properties owned consist of showrooms, outlets and warehouses, all rented out to third parties.

7.1.2 Property Held as Inventory

The Group seeks to acquire and develop property for eventual resale.

The Group is currently developing a mixed use project in Iklin which is covered by permit PA7094/16 and PA2905/22. The development consisted of excavating the site and constructing a basement level for parking, ground floor showroom (210 sqm), first floor office (260 sqm), six (6) two (2) bedroom apartments spread over two (2) floors and a three (3) bedroom penthouse. Construction is in progress and this is currently at the first-floor level. The apartments will be sold and their proceeds used to fully settle the project loan whilst the basement and the commercial levels will be retained as an investment. Rental income generated from this property will supplement Group income.

7.2 Future Projects

Apart from the projects at hand, the Group is always on the lookout for new opportunities, whether residential or commercial, to be sold or held as investment property.

7.3 Description of the Expected Financing of the Issuer and the Group

The Group already enjoys a healthy rental income stream from its current portfolio of investment property held by its subsidiary undertakings. Furthermore during 2024, the Group will start generating additional rental income through the properties which have been recently completed.

As part of the Group strategy, the Group may acquire further property which may be disposed of once its value appreciates. Any such disposals will generate significant income to the Group, cashing in the fair value of matured properties.

8. TREND INFORMATION

8.1 Economic Update

The Central Bank of Malta's Business Conditions Index indicates that in November 2023, annual growth in business activity was broadly in line with its long-term average.

The European Commission's economic confidence indicator fell for the second consecutive month in November 2023, and stood below its long-term average. Employment expectations also eased when compared with a month earlier.

Price expectations edged down among firms in industry and in the services sector, but rose in the remaining sectors. They remained above their long-run average in all sectors.

Developments in activity indicators were mixed, as industrial production rose at a slower pace on a year earlier, while retail trade contracted at a faster rate. Labour market conditions remained favourable in October 2023.

Residential building permits declined in October 2023 compared with their year-ago level. In November 2023, the number of promise-of-sale agreements rose, while the number of final deeds fell on a year-on-year basis.

In October 2023, Maltese residents' deposits, forming part of the broad monetary aggregate M3, decreased from their year-ago level. This decline reflects lower balance of financial intermediaries and, to a lesser extent, those belonging to firms. Meanwhile, annual growth in credit to Maltese residents increased compared to a month earlier.

In November 2023, the annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) and the Retail Price Index (RPI) declined further to stand at 3.9% and 3.6%, respectively.

In October 2023, the Consolidated Fund recorded a smaller deficit compared to a year earlier.

8.2 Economic Outlook

According to the Central Bank of Malta's latest forecasts, Malta's gross domestic product (GDP) is expected to grow by 3.8% in 2024, and to edge down to 3.6% in 2025. For 2024, this implies an upward revision when compared to the Bank's previous projections, while for 2025 the outlook is unchanged.

It should be noted that these forecasts do not incorporate the national accounts data published on the 28th November 2023 by the National Statistics Office. The strong upward revision in GDP growth made in that release means that it is likely that the Bank's projections, especially those for 2023, will be revised further upwards in the next projection round.

Domestic demand is expected to be the main driver of growth, as private consumption growth continues to grow at a brisk pace and private investment begins to recover. Net exports are also projected to contribute positively, driven mainly by growth in services exports.

Employment growth is set to moderate in the projection horizon, while wages are expected to pick-up in 2024, due to relatively high inflation and a tight labour market.

Annual inflation based on the Harmonised Index of Consumer Prices is projected to ease from 5.6% in 2023, to 3.0% in 2024, before reaching 2.0% by 2026. It is thus foreseen to remain above the Eurosystem price stability objective next year due to lingering indirect effects through the response of wages to recent increases in input costs and profit margins. However, compared to previous projections, inflation has been revised down, in line with recent data outturns.

The general government deficit is set to decline throughout the projection horizon. The general government debt-to-GDP ratio is set to increase, and to reach 56.7% by 2026. When compared with the previous publication, the deficit and debt ratios were revised down in 2023, but up in the following two years.

On balance, risks to economic activity are tilted to the upside for 2023 and 2024, reflecting the latest revisions to national accounts, as well as the outturn for the third quarter. Risks are also on the upside in the outer years, though smaller.

Risks to inflation are also tilted slightly to the upside in 2024 but are balanced thereafter.

On the fiscal side, risks are on the upside (deficit-reducing) in 2023 due to the likelihood of stronger than expected growth in tax receipts. Risks are then set to tilt on the downside (deficit-increasing) from 2024, mainly reflecting the likelihood of higher than expected spending on energy support measures.

8.3 Commercial Property in Malta

Commercial property refers to property used for business purposes, including offices, retail space, warehousing, industrial space, hotels and restaurants amongst others. Over the past decade, the demand for these properties was primarily driven by substantial growth in sectors such as tourism, financial services, online gaming, wholesale, and retail.

The Maltese commercial property sector has experienced substantial growth over the past years, presenting profitable prospects for businesses and investors. The latest projections show that Malta's economic outlook is positive with the economy expected to grow around 4% per annum over the next 3 years. However the uncertainty surrounding the forecasts remains high, particularly in the context of Russia's war against Ukraine, the aftermath of Covid-19 pandemic as well as challenges to the global financial system following the collapse of one of the largest global cryptocurrency exchanges.

The localities that are home to some of Malta's thriving businesses, such as online gaming and financial services, include St Julians-Sliema-Gzira area or Msida-Mriehel-Qormi area. Over the years the commercial hubs have evolved into sought-after business centre locations with a mix of commercial office spaces, retail and other commercial activities.

8.4 Inflation

The sharp increase in inflation in the past months has had a severe impact worldwide. Malta has seen a significant rise in prices from an average annual rate of 0.7% in 2021 to 5.6% in December 2023¹. The property industry was significantly impacted and cost of construction has increased by 30% to 40% according to Michael Stivala, President of the Malta Developers Association (MDA). Profitability has inevitably been impacted negatively, especially for projects which had already been sold on a promise of sale agreement since the increase could not be absorbed in the selling price. In the coming months, inflation will continue to impact the industry to a lesser extent. If these increase in prices are absorbed in the selling prices the market will be impacted given the price of a median apartment in 2021 was already €249,000 according to "The Construction Industry and Property Market Report 2022" as prepared by KPMG and commissioned by the MDA. This increase coupled with the impact of inflation on the cost of living is decreasing buyer affordability affecting demand in the market.

8.5 Interest rates

Although local banks have not yet increased interest rates, the possibility of this scenario is likely to occur in an attempt to mitigate inflation. In July 2022, the ECB increased its rate from -0.5% to 0% and it has since been increased to 3.75% as at August 2023. The 3-month EURIBOR, which is the base rate used by most local banks, has also increased from -0.57% to 3.72% as at July, 2023. This will further impact the industry as the cost of funding for developers will increase, while also increasing the cost of borrowing for the purchasers, further reducing buyer affordability.

8.6 Regulations

The industry has been facing an increase in the cost of compliance with increased regulations, especially health and safety. Business may also be impacted by changes in planning and environmental laws and regulations.

8.7 Property Tax and Stamp Duty

Changes to stamp duty and tax legislation has an impact on the industry. This can be confirmed by the increase in property sales following the government tax and stamp duty reduction scheme whereby tax and stamp duty were reduced to 5% and 1.5% respectively on the first €400,000.

Although the effects of inflation, rise in interest rates and increase in regulation may negatively affect the profitability of the Issuer, profit margins are still good and demand is still high. In addition, the main objective of the Group is to increase its investment property portfolio, and while the cost of acquisition will increase due to the above factors, part will be offset with the inflation in property prices while the demand in the rental market may increase as lessees will seek means to fix their overheads and mitigate these risks relating to property. Furthermore, in the Group's case, the main expense, which is the acquisition of property, has already been fixed through property already acquired or under an agreement to acquire. Hence the recent market developments indicated above will not affect this aspect.

9. HISTORICAL FINANCIAL INFORMATION

The historical financial information of the Issuer is included in the audited consolidated financial statements for the financial years ended 31 December 2020, 31 December 2021 and 31 December 2022. The interim financial information of the Issuer is extracted from the unaudited condensed consolidated financial information for the six-month period beginning 1 January 2023 up to 30 June 2023.

Interim and audited financial statements of the Issuer are available for inspection as set out in section 17 of the Base Prospectus under the heading 'Documents on Display', are incorporated by reference and may be accessed on the [Issuer's website at www.agora-estates.com](http://www.agora-estates.com).

1 National Statistics Office Malta – News Release 009/2024, Harmonised Index of Consumer Prices (HICP): December 2023 dated 17 January 2024

There have been no significant adverse changes to the financial or trading position of the Issuer since the end of the financial period to which their respective aforementioned financial statements relate.

Furthermore, the Issuer hereby confirms that there has been no material change or recent development which could adversely affect potential investors' assessments in respect of the Bonds, other than the information contained and disclosed in the Base Prospectus and relevant Final Terms.

Key references	Page number in consolidated financial statements report			Page number in interim consolidated financial statements
	Financial year ended 31 December 2020	Financial year ended 31 December 2021	Financial year ended 31 December 2022	Interim financial information for the six months ended 30 June 2023
Independent Auditors' Report	43-46	48-51	52-54	n/a
Consolidated Statement of financial position	5-6	5-6	5-6	4-5
Consolidated statement of comprehensive income	4	4	4	3
Consolidated statement of cashflows	9-10	9-10	9-10	7
Notes to the Consolidated Financial Statements	11-42	11-47	11-51	8-12

Consolidated income statement

€000	FY2020 12 months Audited	FY2021 12 months Audited	FY2022 12 months Audited	H1-2022 6 months Unaudited	H1-2023 6 months Unaudited
Revenue	2,398	1,449	5,151	765	363
Cost of sales	(1,174)	(593)	(4,042)	(390)	(4)
Gross profit	1,224	856	1,110	375	359
Administrative expenses	(292)	(474)	(564)	(285)	(265)
Operating profit	932	382	545	90	94
Investment income	0	0	86	0	0
Finance costs	(40)	(83)	(188)	(92)	(291)
Other income	81	40	46	20	53
Fair value gain on investment property	(9)	6,384	3,000	-	-
Waiver of payable balances	-	-	187	126	277
Waiver of receivable balances	-	-	(70)	-	-
Profit before income tax	965	6,723	3,605	144	133
Income tax	(332)	(2,016)	(902)	(51)	(166)
Total comprehensive income for the financial year/period	632	4,707	2,704	93	(34)

Consolidated statement of cash flows

€000	FY2020 Audited	FY2021 Audited	FY2022 Audited	H1-2022 Unaudited	H1-2023 Unaudited
Net cash generated from/(used in) operating activities	3,132	1,699	476	(369)	354
Net cash used in investing activities	(1,896)	(1,323)	(6,899)	(4,843)	(1,363)
Net cash generated from/ (used in) financing activities	(828)	(454)	5,784	4,693	1,188
Movement in cash and cash equivalents	408	(79)	(639)	(519)	179
Cash and cash equivalents at beginning of year	135	543	464	464	(176)
Cash and cash equivalents at end of year	543	464	(176)	(56)	3

Consolidated statement of financial position

€000	Dec-20 Audited	Dec-21 Audited	Dec-22 Audited	Jun-23 Unaudited
Assets				
Non-current assets				
Goodwill	3,242	3,242	3,242	3,242
Intangible assets	3	4	5	6
Investment property	26,817	34,613	43,585	44,946
Tangible assets	34	65	41	37
Total non-current assets	30,096	37,924	46,874	48,231
Current assets				
Inventories	4,331	3,814	1,120	1,181
Deferred tax	-	-	106	59
Trade and other receivables	2,206	2,288	2,268	3,012
Contract assets	-	113	-	-
Recoverable taxation	-	-	15	-
Cash and cash equivalents	603	477	46	125
Total current assets	7,140	6,693	3,554	4,376
Total assets	37,236	44,617	50,428	52,607
Equity				
Share capital	63	943	943	943
Retained earnings	11,254	15,961	18,665	18,631
Shareholder contribution	6,730	6,730	6,730	6,730
Equity attributable to equity holders of the parent	18,046	23,634	26,338	26,304
Non-controlling interest	1	1	1	1
Total equity	18,048	23,635	26,339	26,305
Liabilities				
Non-current liabilities				
Interest-bearing borrowings	5,989	5,374	4,825	4,496
Deferred tax	1,017	2,915	3,693	3,802
Trade and other payables	30	126	-	-
Total non-current liabilities	7,036	8,415	8,518	8,298
Current liabilities				
Interest-bearing borrowings	4,533	4,277	9,593	11,961
Trade and other payables	7,322	7,976	5,678	5,795
Current tax	297	313	300	247
Total current liabilities	12,152	12,566	15,571	18,004
Total liabilities	19,188	20,982	24,089	26,301
Total liabilities and equity	37,236	44,617	50,428	52,607

Between January 2020 and June 2023, the Group generated €7.0 million of its revenue from the sale of properties, representing 74.6% of total revenue registered during the period. Sale of properties includes sale of residential units developed by the Group, as well as sale of showroom and garages previously acquired by the Group. Furthermore, the Group generated €1.8 million between January 2020 and June 2023 in rental income from leasing of properties to related and third-party tenants. This represents 19.5% of total revenue registered during the period under review. In the first half of financial year 2023, revenue comprised solely of rental income as the Group is in the process of developing a site in Iklin into garages, ground-floor showroom, first-floor offices, six 2-bed apartments over three floors and a penthouse. The sales of residential units and garages are expected to be concluded in financial year 2024.

Cost of sales mainly relate to the costs incurred in developing the property and include land costs, stamp duty and professional fees, construction outlays in the development of the residential units, as well as capitalised borrowing costs in accordance with IAS 23.

The Group's administrative expenses mainly include staff costs, directors' remuneration, audit fees, professional fees, and repairs and maintenance costs. The increase in administrative expenses over the historical period is mainly attributable to an increase in headcount.

Finance costs include interest on loans from banks and third parties, Private Debt and bank charges. The increase in

finance costs from financial year 2022 onwards is mainly attributed to the drawdown of new bank loans in financial year 2022 on the Iklin site and Agora Retail Centre and the Private Debt issued in February 2023.

In financial year 2021, the Group recognised fair value uplifts of €6.4 million in relation to all of its investment properties, whilst in financial year 2022, an uplift of €3.0 million in the carrying value of De Rohan Business Centre was recognized. The Group also recognised other income from the waiver of balances due to related parties.

As at 30 June 2023, total assets stood at €48.2 million. As at this date, the Group's major assets were the investment properties, amounting to €44.9 million and includes showrooms, office spaces, warehouses and garages owned by the Group. The key investment properties and their respective carrying values held by the Group are: Agora Business Centre (€10.4 million), De Rohan Business Centre (€10.3 million), Tal-Qenc Warehouse (€6.1 million), Aries House (€5.6 million) and Agora Retail Centre (€5.6 million).

As at 30 June 2023, the Group recognised equity of €26.3 million and comprised:

- €943k in issued and paid-up share capital, representing 3,770,000 ordinary shares at €1 each, with 25% of the total share capital being paid up. In August 2023, there was an increase of €188k in share capital through a capitalization of retained earnings;
- retained earnings of €18.6 million;
- shareholder's contribution of €6.7 million.

The Group's total liabilities of €26.3 million as at 30 June 2023 principally consist of interest bearing borrowings and trade and other payables, the latter includes trade payables, related party payables, advance deposits from customers, amounts due to the Commissioner for Revenue and accruals. Interest bearing borrowings include bank loans of €9.0 million in relation to the Iklin development, Agora Business Centre, Agora Retail Centre, and other operational requirements, the Private Debt of €3.2 million pertaining to the issuance of the Zero Coupon Secured Callable Notes in February 2023, bank overdraft of €0.1 million and loans from related party of €4.1 million.

The Group's net gearing, calculated as net debt (that is, interest-bearing liabilities less surplus cash balances) over net debt plus total equity, stood at 38.3% as at 30 June 2023.

Key movements in the Group's cash balance include:

- i. movement in working capital, primarily from the transfer of inventory to cost of sales upon sale of commercial space/residential units and movements in trade and other receivables and payables;
- ii. interest paid on the Group's borrowings and debt in issue. This resulted in a positive net operating cash flow during the period under review;
- iii. acquisition and development costs relating to investment properties;
- iv. cash flows from financing activities mainly pertain to advances to and from the related parties, drawdown, drawdowns and repayment of bank loans and proceeds from the Private Debt.

No dividends were paid to the ultimate beneficial owner during the period under review. As at 30 June 2023, the Group's cash balance stood at €125k.

10. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

10.1 Directors

The Issuer is administered and managed by the Directors. The memorandum and articles of association of the Issuer provide that its board of directors shall consist of not less than two (2) but not more than seven (7) directors.

The board of directors is vested with broad powers to perform all acts of administration and management in the Issuer's interest. All powers not expressly reserved by law or by the Issuer's memorandum and articles of association fall within the competence of the board of directors.

Amongst other things, the board of directors has the power to borrow or raise money (whether through the issuance of notes, debentures, bonds or otherwise) and to secure the payment of money, and in conjunction with or independently therefrom, to charge and hypothecate the property of the Issuer or part thereof for any debt or liability.

The Directors are appointed by ordinary resolution of the Issuer. They shall retire from office at every general meeting but are eligible for re-appointment. They can also be removed by the company in general meeting.

Decisions taken by the Directors are decided by simple majority of those present and constituting a quorum. In case of an equality of votes, the chairman does not have a second or casting vote.

A director of the Issuer shall be bound to disclose any interest in a contract or proposed contract and 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.

The Issuer currently has five (5) directors.

Below is set out information with respect to each Director, including such Director's positions within the Issuer at the date of the Base Prospectus:-

Joseph Schembri
Maltese identity card number 257050M
Independent non-executive director and Chairman

Audrey-Anne Hughes
Maltese identity card number 232486M
Executive Director

Silvio Mifsud
Maltese identity card number 533360M
Independent non-executive director

James Zammit
Maltese identity card number 535884M
Executive Director

Isabella Vella
Maltese identity card number 564564M
Independent non-executive director

The business address of the directors is that of the Issuer.

The company secretary of the Issuer is Audrey-Anne Hughes, who also sits as director of Issuer.

10.2 Curriculum Vitae of Directors

Following is the curriculum vitae for each of the Directors.

Joseph Schembri

Joseph Schembri qualified as an accountant in 1973 and in 1977 he was appointed audit partner of Joseph Tabone & Co. In 1998, he was appointed senior partner at KPMG Malta. During the period 2013 and 2014 he was seconded to Libya to set up the Libyan firm of KPMG acting as audit engagement leader and risk management principal for the firm. In 2014 Joseph Schembri joined Baker Tilly Malta as a consultant and audit engagement leader.

His auditing experience spans across a number of industries including banking and finance, insurance and funds. He has carried out assignments in the United Kingdom, Libya, Egypt and Malta.

He has acted as non-executive director on a number of companies, and currently sits as a non-executive director on a number of listed companies. He also chairs a number of audit committees for such companies. He also sits as director on a private finance company which owns manufacturing subsidiaries in several European countries, other than acting as Chairman of the Issuer.

Audrey-Anne Hughes

Audrey-Anne Hughes obtained a Bachelor of Psychology (Honours) from the University of Malta in 2008, and went on to obtain an accountancy qualification from the Association of Chartered Certified Accountants in 2016.

Having over 10 years of experience, Audrey-Anne Hughes joined the Group in 2013 in the position of finance executive at Finance House p.l.c. and is currently employed as chief finance officer of Zammit Estates. She has been involved in various functions ranging from overseeing the preparation and presentation of monthly management accounts and reporting, to assisting in company valuations, overseeing corporate restructuring, preparing consolidated cash flow forecasts and obtaining bank and securities market finance.

In 2014, Audrey-Anne Hughes was entrusted with changing the ERP of the Group and was involved in the design, set up and implementation of Microsoft Dynamics NAV. She also set up corporate functions including accounting, credit control and legal and compliance. In 2015, Audrey-Anne Hughes contributed towards the successful issue of a private placement for Zammit Finance p.l.c., a member of the Group.

She is currently responsible for the management of the Group's financial requirements including putting forward proposals for financing and achieving financing for the Group, and will be directing and leading the finance function of the Group.

Silvio Mifsud

Silvio Mifsud obtained a Bachelor of Arts degree with Honours in Business Management from the University of Malta in 1990. He is also a certified PRINCE2 practitioner and completed Stage 1 of the Association of the Chartered Institute of Bankers.

Throughout his career, Silvio Mifsud has been involved in the banking sector, having been employed by two of

the leading banks in Malta. He was employed as a business analyst for Bank of Valletta p.l.c. and head of the Foreign Department at BOVI Limited. He headed the implementation of various banking IT structures such as the full automation of Payment Orders Process at BOVI Limited and Bank of Valletta p.l.c., the Foreign Exchange and Funds Transfer module of Profits Banking System previously in use at Bank of Valletta p.l.c.

He subsequently occupied the positions of executive vice president and chief investment officer and head of administration at FIMBANK p.l.c. He was also the founding director of FIM Property Investment Limited and FIM Business Solutions Limited, and a member of the executive management meeting and deputy chairman of the bank's IT Steering Committee. He was also responsible for introducing Flexcube, Oracle's Universal Banking System at FIMBANK p.l.c. Silvio Mifsud has also managed the full process, from negotiations to operations, of the 15-storey Mercury Tower, the Head Office of the FIMBANK Group in St. Julian's. He was also for some time involved in the anti-money laundering departments of FIMBANK p.l.c. as the first MLRO of the bank.

He also set up and managed the Due Diligence Department at the Residency Malta Agency, previously Malta Residency Visa Agency, where now he acts as IT Advisor.

He sits on the board and audit committee of a number of listed and regulated entities, including 42 Invest plc where he also chairs the audit committee.

He also sits as director and audit committee member of Finance House plc, a member of the Group.

James Zammit

James Zammit graduated from the Edinburgh Business School in Business Administration, and subsequently obtained a Master's Degree in Business Administration.

James Zammit was primarily involved in the automotive industry and was a pioneer in introducing second hand vehicles to the Island specializing in luxury vehicles. He subsequently set up Finance House p.l.c., a financial institution authorized by the Malta Financial Services Authority to carry out lending activities, offering loans in the automobile and marine industry.

In parallel, James Zammit expanded his activities to own a property portfolio consisting of residential and commercial units intended for rental investment and capital appreciation or resale.

He is a director of all members within the Group and chief executive officer of Zammit Estates.

He also holds other related property investments with third parties.

Isabella Vella

Isabella Vella has accumulated a wealth of experience through her involvement in banking, construction, real estate and hospitality sectors. She started off her career in banking where she held both supervisory as well as lecturing roles.

Isabella Vella then spent over 24 years in various managerial positions in the construction, real estate and hospitality fields and contributed to the success of a variety of projects undertaken by these sectors through her communication, marketing and business acumen.

For nearly two decades she held a directorship on Peninsula Holdings Limited as well as Peninsula Investments Limited both pertaining to owners of the Westin Dragonara Hotel & Resort. She also held an alternate directorship in Bajja Holdings Limited and Bajja Investments Limited, the owners of which also own The Marriott Hotel & Spa in St. Julians.

She acted as a non-executive director for a few years for Malta Communication Authority and as President of The Maltese-Chinese Chamber of Commerce

She presently also sits as a non-executive director on two companies listed on the MSE, namely Main Street p.l.c. and VBL p.l.c.

10.3 Senior Management and Employees

The Issuer has no employees and the day-to-day business of the Issuer has been delegated to Zammit Estates. James Zammit and Audrey-Anne Hughes both employed with Zammit Estates, shall be responsible for overseeing, supervising and managing the day-to-day operations of the Issuer, and to then report to the Directors. The Directors are in turn entrusted with providing the Issuer direction and strategy, monitoring and supervising its performance, and ensuring that controls and risk management systems are in place. The curriculum vitae for each of James Zammit and Audrey-Anne Hughes are provided in Section 10.2 of this Base Prospectus under the heading 'Curriculum Vitae of Directors'.

10.4 Remuneration and other Benefits of the Directors

The aggregate remuneration of the Issuer's board of directors (or any increase thereof), to be paid to the board of directors, needs to be approved by the shareholders of the Issuer in general meeting, following advance notice of the proposed vote on directors' remuneration. The Directors shall also be entitled to travelling, hotel and other expenses properly incurred by them in carrying out their duties.

There are currently no loans outstanding by the Issuer to any of the Directors, nor has the Issuer issued any guarantees in their favour.

10.5 Conflicts of Interest

James Zammit is a Director as well as sole director on the boards of the Group companies. As such, he is susceptible to conflicts between the potentially diverging interests of the Issuer and the remaining Group companies. Furthermore, James Zammit is also ultimate beneficial owner of the Group and is therefore susceptible to conflicts between the potentially divergent interests of the Group as well as his own personal interests. Lastly, the Directors are all appointed by Zammit Holdings, which is owned and controlled by James Zammit. Conflict could therefore arise *inter alia* in a parent/subsidiary and/or lender/borrower scenario.

Audrey-Anne Hughes and James Zammit are both Directors and employed at the level of Zammit Estates. Conflicts may also arise as a result of the employer-employee relationships of two of the Directors with Zammit Estates.

The Audit Committee of the Issuer has the task of ensuring that any such potential conflicts of interest relating to the Directors are handled in the best interest of the Issuer. The Issuer draws up consolidated financial statements for the Group, such that all financial matters of the Group are scrutinised by the Issuer.

Decisions by the Directors of the Issuer are taken by a majority vote of directors present and forming a quorum. As already stated under section 10.1 of this Base Prospectus under the heading 'Directors', a director of the Issuer must disclose an interest in a contract or proposed contract and 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.

All directors also have a general duty to ensure their personal interests do not conflict with those of the company they serve.

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

10.6 Audit Committee

The primary purpose of the Audit Committee is to protect the interest of Issuer's shareholders and assist the directors in conducting their role effectively so that the Issuer's decision-making capability and the accuracy of its reporting and financial results are maintained at a high level at all times.

The Audit Committee's role is one of oversight and monitoring of the Issuer's financial reporting process, the audit process, its system of internal controls and overseeing the internal and external auditors including effective communication and resolution with management. It shall also vet and approve related party transactions. See also in this respect section 11.3 of this Base Prospectus under the heading 'Related Party Transactions'. The Property Companies have also authorised the Audit Committee to also act as their own audit committee, such that the remit of the Audit Committee reaches across the Group.

The Audit Committee is appointed by the Directors who decides the terms, tasks and appointment and dismissal of its members, subject to criteria laid out in the Capital Markets Rules.

The Audit Committee is made up of the three (3) independent non-executive directors, namely Joseph Schembri, Silvio Mifsud and Isabella Vella. Their *curriculum vitae* can be viewed under section 10.2 of the Base Prospectus under the heading 'Curriculum Vitae of the Directors'. The Audit Committee is chaired by Joseph Schembri who is competent in accounting and/or auditing.

The Audit Committee meets at least four (4) times a year. A Director on the Audit Committee who has any interest whether direct or indirect in any transaction, contract or arrangement shall not be allowed to be present at the committee meeting discussing such issue, much less vote in respect of any such transaction, contract or arrangement.

10.7 Corporate Governance

It is expected that the Issuer will comply with the Code's provisions. In keeping with the Capital Markets Rules the Issuer will also prepare a report explaining how it has complied with the provisions of the Code. The Issuer shall also be preparing on an annual basis for inclusion in its annual financial reports a corporate governance statement setting out its commitment and compliance with good corporate governance.

As at the date of the Base Prospectus, the Directors consider the Issuer to be in compliance with the Code save for the following exceptions:-

Principle 7 – Evaluation of the Board's Performance

The Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role and that of its committees, as the Board's performance is evaluated on an ongoing basis by, and is subject to the constant scrutiny of the Board itself, the majority of whom are independent non-executive directors, the Issuer's shareholders, the market and all of the rules and regulations to which the Issuer is subject as a company with its securities listed on a regulated market.

Principle 8 – Committees

The Board considers that the size and operations of the Issuer do not warrant the setting up of a remuneration or nomination committee. Given that the Issuer does not have any employees or officers other than the Directors and company secretary, it is not considered necessary for the Issuer to maintain a remuneration committee. Also, the remuneration of directors is required by the memorandum and articles of association of the Issuer to be determined by the shareholders in general meeting. The Issuer does not believe it is necessary to establish a nomination committee as appointments to the Board are determined by the shareholders of the Issuer in accordance with the nomination and appointment process set out in the Issuer's memorandum and articles of association. The Issuer considers that the current members of the Board provide the required level of skill, knowledge and experience expected in terms of the Code.

11. MAJOR SHAREHOLDING, SHARE CAPITAL AND RELATED ADDITIONAL INFORMATION

11.1 Share Capital and Major Shareholders

The authorized and issued share capital of the Issuer is of ten million three hundred and sixty thousand euro (€10,360,000) divided into ten million three hundred and sixty thousand (10,360,000) ordinary shares of one euro (€1) each, fully paid up.

Zammit Holdings is a shareholder which holds more than 10% of the Issuer's issued ordinary shares (holding 10,359,998 ordinary shares), thereby being regarded as a substantial shareholder in terms of the Capital Markets Rules. The remaining 2 ordinary shares are held by James Zammit.

All ordinary shares in the Issuer rank equally in all respects. Every ordinary share confers the right to one (1) vote.

Unissued shares can be issued by the Issuer in general meeting and shall be subject to such terms as the same meeting may decide.

The shares of the Issuer are not listed on any exchange and no application for listing on any exchange has been made to date. It is not expected that the Issuer will issue, during the next financial year, any shares, whether fully or partly paid up, in consideration for cash or otherwise.

There is no capital of the Issuer that 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. There are no arrangements, known to the Issuer, which may at a subsequent date result in a change in control of the Issuer.

11.2 Measures to Control Abuse by those in Control

The Issuer has measures in place to ensure that persons who have control over it do not abuse such control.

Pursuant to the Code, the majority of the Directors are independent and non-executive, with the chairman being an independent non-executive director distinct from those Directors who manage the day to day running of the Issuer. The independence and non-executive nature of the majority of Directors ensures that such Directors provide independent judgement and outside experience and objectivity on all issues which come before the board of directors.

The Chairman is appointed by the majority of the Directors.

The Directors are bound to disclose their interest in a contract (or proposed contract) with the Issuer, and are furthermore not allowed to vote and shall not be counted for purposes of a quorum at a meeting of Directors in respect of any contract, arrangement or proposal in which they have a material interest.

Pursuant to the Code and the Act, the Directors generally are obliged to act with integrity and due diligence, to exercise accountability towards shareholders and relevant stakeholders and ensure their personal interests do not conflict with those of the Issuer.

11.3 Related Party Transactions

The Issuer adopts measures to ensure that the relationship of the Issuer and/or the Property Companies with each other and/or their respective shareholders and/or directors are retained at arm's length and on a normal commercial basis.

The Audit Committee is required to assess and approve a related party transaction. This ensures that nobody takes advantage of one's position, that any potential conflicts are managed, controlled and resolved in the best interests of the Issuer.

The composition of the Audit Committee, made up of three independent, non-executive Directors, effectively minimizes potential conflicts and abuse of control. A Director on the Audit Committee who has any interest whether direct or indirect in any transaction, contract or arrangement shall not be allowed to be present at the committee meeting discussing such issue, much less vote in respect of any such transaction, contract or arrangement.

11.4 Memorandum and Articles of Association

The Issuer is registered with the Malta Registry of Companies with company registration number C 91408.

Clause 5 of the memorandum of association of the Issuer provides that the object of the Issuer is to carry on the business of a finance and investment company in connection with the ownership, development, operations and financing of the business activities of group companies or associated companies, whether in Malta or overseas, and for such purpose can (i) lend or advance money or otherwise give credit to any company now or hereinafter forming part of the same group of companies as the Company or an associated company, with or without security and otherwise on such terms as the Directors may deem expedient; and (ii) invest and deal with the moneys of the Company and any company now or hereinafter forming part of the same group of companies as the Company or an associated company in or upon such investments and in such manner as the Directors may, from time to time, deem expedient.

Included in the same clause are objects and powers enabling the furtherance of the above.

12. MATERIAL CONTRACTS

None of the Group companies have entered into any material contracts which are not in the ordinary course of business and which could result in the Issuer being under an obligation or entitlement that is material to their ability to meet their obligations to Bondholders in respect of the Bonds being issued pursuant to the Base Prospectus.

13. LITIGATION

The Directors are not aware of any current litigation against or otherwise involving the Group, including actual, pending or threatened governmental, legal or arbitration proceedings, which the Directors consider could have significant effects on the Group's financial position or profitability.

During the last twelve months there have been no governmental, legal or arbitration proceedings brought against or affecting the Issuer, which may have or have had in recent past significant effects on the Issuers and/or the Group's financial position, profitability or results.

14. TERMS AND CONDITIONS OF THE OFFER OF THE BONDS

Each Bond shall be issued on the terms and conditions set out in the Base Prospectus and the Final Terms applicable to a Tranche, and by subscribing to or otherwise acquiring the Bonds, the Bondholders are deemed to have knowledge of all the Conditions hereafter described, and to accept and be bound by same.

The Bond Issue, the application for their listing and trading with the MSE and the publication of the Base Prospectus were authorized by the board of directors on 02 October 2023.

14.1 Rights Attaching to the Bonds

A Bondholder will have the right to:-

- i. be paid interest as provided for in the relevant Final Terms and be repaid the principal at the Redemption Price;
- ii. attend, participate in and vote at meetings of Bondholders in accordance with the terms and conditions of the Base Prospectus and applicable Final Terms;
- iii. enjoy all such other rights as emanate pursuant to the Base Prospectus and relevant Final Terms.

14.2 Form

The Bonds shall be registered in dematerialised and uncertificated form by the appropriate entry in the CSD Register.

Particulars of the Bondholder shall in the case of an individual include full name and address, an identification document number and MSE account number. In the case of a legal entity these shall include the full name and company registration number, MSE account number and country of incorporation. In all cases the entry shall also include direct credit details, withholding tax options, mandate, identification of joint holders and any other details as may be required.

It is expected that a registration advice will be made available to Applicants by the CSD of the MSE shortly after listing of the Bonds. Bondholders shall receive registration advices in case of sales or purchases of Bonds or other transfers. Bondholders may also request a statement of holdings indicating holdings held by him/her.

14.3 Denomination

The Bonds shall be denominated in the specified denomination set out in the relevant Final Terms.

14.4 Minimum Subscription Amount

The minimum subscription amount of Bonds that can be subscribed for by an Applicant shall be as stated in the applicable Final Terms.

14.5 Application of the Bonds

Applications are to be made through the Authorised Financial Intermediaries and shall be made subject to the Condition contained in section 14.28 of the Base Prospectus under the heading 'Undertakings by an Applicant for the Bonds'.

14.6 *Registration of the Bonds*

Upon being allotted Bonds, a Bondholder shall be registered in the CSD Register and a registration advice evidencing the registration of the Bonds is issued in his/her/its name. The registration advice shall state and denote the number of Bonds to which it relates, and the nominal value thereof.

The person whose name shall be inserted first as 'Applicant' on an Application, shall for all intents and purposes be deemed to be the registered holder of the Bonds, and to have been so nominated by all the joint holders whose names also appear in the Application. In the case of joint holders, only one registration advice shall be issued, and delivery of that registration advice to the first named holder registered in the CSD Register shall be sufficient delivery to all.

Bonds subject to usufruct shall be registered in the name of the owner and the usufructuary. The usufructuary shall, for all intents and purposes, be deemed *vis-à-vis* the Issuer to be the holder of the Bonds and shall have the right to receive the interest on the Bonds and to vote at meetings of the Bondholders, but shall not have the right to dispose of the Bonds without the bare owner's consent, neither shall he/she be entitled to the principal amount which will be paid on Maturity Date to the bare owner or as otherwise indicated in the joint instructions of all bare owners and usufructuaries. The owner will not be allowed to dispose of the Bonds prior to Maturity Date without the consent of the usufructuary. Furthermore, to apply for the Bonds, the signatures of both the bare owner and the usufructuary will be required on the Application.

Applications in the name and for the benefit of persons under the age eighteen years (18) shall be allowed provided that the Applicant already holds an account with the MSE and Bonds allocated to such persons shall be registered in the name of the minor. The payment of interests and the principal amount shall be paid to the parents/guardian until such time as the minor reaches the age of 18 years following which, payment of interest and principal shall be paid to him/her directly, provided the Issuer has been notified in writing that the minor has attained majority age.

14.7 *Title*

Any person in whose name the Bonds are registered may (to the fullest extent allowed by 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 the Bonds.

14.8 *Bond Issue Price and Redemption Price*

Bonds shall be subscribed to at the Bond Issue Price.

Unless previously redeemed or cancelled (see section 14.15 of the Base Prospectus under heading 'Cancellation') Bonds shall be redeemed on Maturity Date, at the Redemption Price.

Upon payment of the Redemption Price, net of withholding or other taxes due or which may be due under Maltese law the Issuer, shall be discharged of any and all obligations pursuant to the Base Prospectus.

14.9 *Yield*

The gross yield and method of calculation with respect to each Tranche shall be included in the Final Terms applicable to the relevant Tranche.

14.10 *Interest*

Each Tranche shall bear interest at the annual rate set out in the relevant Final Terms. Interest shall be payable in arrears in euro on each Interest Payment Date and on Maturity Date.

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, and in case of an incomplete month, the number of days elapsed.

14.11 *Payments of the Bonds*

The principal on the Bonds shall be repaid through rental income generated by the Property Companies. It is expected that part of the principal of the Bonds be repaid through the sale of property of the Group. No particular property has yet been identified for the said purpose given that Maturity Date is 12 years away. However, there are various properties within the Group whose value individually, exceeds €9,000,000. The property that will be sold to repay the Bonds will be identified closer to Maturity Date.

Payment of the Bonds on Maturity Date together with interest accrued thereon will be made to the person in whose name the Bonds are registered at close of business on Record Date. Such payment will be made within ten (10) Business Days from Maturity Date.

Payment in respect of the Bonds will be made by direct credit transfer to a euro account maintained by the Bondholder with a duly licensed bank.

Payments in respect of the Bonds may be subject to applicable tax. All payments by or on behalf of the Issuer in respect of the Bonds shall be made net of any amount which the Issuer is or may become compelled by law to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Malta or any authority thereof or therein having power to tax.

14.12 *Bank Facility*

The Issuer has procured or shall procure a Bank Facility from Bank of Valletta p.l.c., a copy of which is available for inspection as provided for in section 17 of the Base Prospectus under the heading 'Documents on Display'.

In the event the Issuer requires additional liquidity to service the Bonds, it shall, acting through its Directors, call upon the Security Trustee as beneficiary of the Bank Facility to demand payment thereof (in whole or in part as may be necessary). Funds deriving from the Bank Facility shall be used by the Issuer to service the Bonds as needed.

The Bank Facility shall be kept in place for the duration of the Bonds, and shall be further regulated by a Security Trust Deed. The aforesaid Security Trust Deed provides that in the event the Bank Facility is not extended or is terminated by the respective credit institution at any time prior to settlement of the Bond Obligations, the Issuer shall have nine (9) months within which to replace the terminated Bank Facility, subject *mutatis mutandis* to the same terms and conditions as at the time of its termination, failing which the Issuer shall be considered in default (in this respect see section 14.22 of the Base Prospectus under the heading 'Events of Default'), and the relevant provisions in the Security Trust Deed shall apply.

14.13 *Delay in Payment*

Bondholders will not be entitled to any interest or other payment for any delay in receiving the amount due after the due date, save where payment of the Bonds or interest thereon is improperly withheld or refused, in which event interest at the rate of eight (8) per cent will accrue until whichever is the earlier of (i) the day on which all sums due in respect of such Bonds up to that day are received by or on behalf of the relevant Bondholder; or (ii) the day after the Security Trustee has notified the Bondholders of receipt of all sums due in respect of all Bonds up to that day.

14.14 *Transferability of the Bonds*

The Bonds are freely transferable, and once admitted to the Official List of the MSE shall be transferable only in whole (that is in those multiples as shall be set out in the relevant Final Terms) in accordance with applicable laws and the rules and regulations of the MSE applicable from time to time. The minimum subscription amount set out in the relevant Final Terms shall only apply during the Offer Period. No minimum holding requirement shall be applicable once the Bonds are admitted to listing on the Official List of the MSE and commence trading thereafter, subject to trading in multiples set out in the Final Terms.

Any person becoming entitled to a Bond in consequence of the death of a Bondholder may, upon such evidence being produced as may from time to time be required by the Issuer or the CSD, elect either to be registered himself as Bondholder 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 Issuer 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 Bonds, or procuring the transfer of the Bonds, in favour of that person.

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

The cost and expense of effecting any registration of transfer or transmission will be borne by the transferor/transferee or by such person as the rules and regulations of the MSE may from time to time determine.

Transfers or transmissions shall not be registered following the Record Date preceding Maturity Date and shall be carried out in accordance with the memorandum and articles of association of the Issuer.

14.15 *Cancellation*

The Issuer, Zammit Holdings or any member of the Group may at any time purchase any Bonds in the open market or otherwise at any price. Such Bonds may be held or re-sold or, at the option of the relevant purchaser, surrendered for cancellation. The Bonds so purchased, while held by or on behalf of the Issuer, Zammit Holdings or any member of the Group, shall not entitle the holder to vote at meetings of the Bondholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Bondholders for the purposes of the Condition contained in section 14.21 of the Base Prospectus under the heading 'Meetings of Bondholders'.

Bonds purchased by the Issuer, Zammit Holdings or any member of the Group may be surrendered for cancellation and, if so surrendered, shall be cancelled and may not be reissued or resold.

14.16 *Ranking*

The ranking applicable to a particular Tranche of Bonds shall be set out in the Final Terms.

14.17 *Rating*

The Issuer has not sought, neither does it intend to seek the credit rating of an independent agency and there has been no assessment of the Bonds by an independent rating agency.

14.18 *Maintenance of Share Capital*

The Issuer undertakes that until such time as the Bonds are redeemed in full, it shall not take any measure to reduce its share capital.

14.19 *Negative Covenants*

The Group has undertaken not to pay out any dividend or make any other distribution, including but not limited to

loans, to related parties outside the Group.

14.20 Prescription

Claims against the Issuer for payment in respect of the Bonds and interest accruing thereon shall be prescribed and become void unless made within five (5) years from the date the payment with respect to which a claim is being made, becomes due.

14.21 Meetings of Bondholders

Meetings of the Bondholders may be called from time to time for the purpose of consulting with the Bondholders or obtaining their consent on matters which in terms of the Base Prospectus or Final Terms require the approval of the Bondholders.

A meeting of the Bondholders may also be called by the Directors, through the Security Trustee if any, by giving the Security Trustee notice in writing. A meeting can also be called by Bondholders holding between them twenty (20) per cent or more in Nominal Value of Bonds outstanding. A meeting may also be called by a Security Trustee if any.

Meetings of Bondholders shall be called by giving them not less than fourteen (14) days notice in advance of the meeting. The notice of the meeting will set out the time, place and date set for the meeting and the matters to be discussed thereat, giving the Bondholders sufficient information on the matter to be discussed and decided upon.

The quorum at such meetings shall be of two (2) Bondholders present in person or by proxy representing not less than fifty (50) per cent in Nominal Value of the Bonds outstanding. If a quorum is not present within thirty (30) minutes from the time scheduled for the commencement of the meeting as indicated in the notice convening the same, the meeting shall stand adjourned to a place, date and time as shall be communicated to the Bondholders within two (2) days from the meeting. An adjourned meeting shall be held not earlier than seven (7) days and not later than fifteen (15) days following the original meeting. At an adjourned meeting, the number of Bondholders present, in person or by proxy, shall constitute a quorum, and only the matters specified in the notice calling the original meeting shall be discussed at such adjourned meeting.

All decisions taken at a meeting shall be approved by seventy-five (75) per cent in Nominal Value of the Bonds held by Bondholders present, in person or by proxy, at the meeting at which the vote is taken. A decision taken in such manner shall be binding on all Bondholders.

The amendment of the Conditions may only be made with the approval of Bondholders at a meeting held for the purpose in accordance with the terms hereof.

14.22 Events of Default

A relevant Security Trust Deed shall include the following events as events of default, subject to any such event having occurred and be continuing:

- i. the Issuer fails to punctually effect the payment of interest under the Bonds on an Interest Payment Date and such failure continues for a period of sixty (60) days after written notice thereof by the Security Trustee to the Issuer;
- ii. the Issuer fails to pay the principal amount of a Bond on the date fixed for its redemption and such failure continues for a period of sixty (60) days after written notice thereof by the Security Trustee to the Issuer;
- iii. the Issuer or the Security Provider is no longer solvent such that their annual financial statements demonstrates a negative equity position;
- iv. the external auditors fail to concur with the going concern assumption for either the Issuer or Security Provider;
- v. the Issuer or the Security Provider fails to perform or shall otherwise be in breach of any other obligation contained in the Base Prospectus, the relevant Final Terms, a deed regulating a Security Interest or the Security Trust Deed, and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer and the Security Provider by the Security Trustee;
- vi. in terms of section 214(5) of the Companies Act (Cap. 386 of the Laws of Malta), a court order or other judicial process (against which there lies no appeal) is levied or enforced upon or sued out against the Issuer or Security Provider or any part of the property of the Issuer and/or the Secured Assets and is not paid out, withdrawn or discharged within one month;
- vii. the Issuer or Security Provider ceases or threatens to cease to carry on its business;
- viii. the Issuer or Security Provider is unable to pay its debts within the meaning of section 214(5) of the Companies Act (Cap. 386 of the Laws of Malta), or any statutory modification or re-enactment thereof;
- ix. a judicial or provisional administrator is appointed upon the whole or any part of the property of the Issuer or Security Provider and such appointment is deemed by the Security Trustee to be prejudicial, in its opinion, to the Bondholders;
- x. an order is made or an effective resolution is passed for winding up of the Issuer or Security Provider, except for the purpose of a reconstruction, amalgamation or division, the terms of which have been approved in writing by the Security Trustee;
- xi. the Issuer or Security Provider commits a breach of any of the covenants or provisions contained in the Security Trust Deed, the Base Prospectus, the relevant Final Terms or other deed regulating a Security Interest, and the said breach still subsists for sixty (60) days after having been notified by the Security Trustee;
- xii. the security constituted by any hypothec, pledge or charge upon the whole or any part of the undertaking

- or assets of the Issuer or Security Provider or upon the Secured Assets 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;
- xiii. any material representation or warranty made by or in respect of the Issuer or Security Provider is or proves to have been incorrect in any material respect in the sole opinion of the Security Trustee;
 - xiv. 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 €3,000,000 (three million Euro) which is declared as due in terms of an executive title which is final and not appealable. The Issuer undertakes to inform the Security Trustee upon an occurrence of material indebtedness under this article;
 - xv. the Issuer or Security Provider repudiates, or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Bonds and/or the Security Trust Deed;
 - xvi. the de-listing of the Bonds;
 - xvii. failure by the Issuer, to maintain the Bank Facility or a suitable replacement in accordance with the terms of the Security Trust Deed, including through (i) the provision of any security required by the bank issuing the Bank Facility; (ii) the payment, on an annual basis (or as is required in terms of the Bank Facility) of any fees, commissions or any other amounts due for such maintenance; or (iii) in the event that the Bank Facility is not extended or is terminated by the respective credit institution at any time prior to settlement of all Bond Obligations, the Company fails to replace same within nine (9) months; or
 - xviii. all, or in the sole opinion of the Security Trustee, a material part, of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Issuer or Security Provider are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government.

14.23 Notices

All notices regarding the Bonds will be valid if sent to the address of the Bondholder registered in the CSD Register.

Where a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying and mailing the notice, and to have been effected in the case it is sent to an address in Malta at the expiration of twenty four hours (24) after the notice is posted, and in the case of an oversea address, at the expiration of seven (7) days after the notice is posted.

Notice to joint holders shall be given to the first named in the CSD Register and where Bonds are subject to usufruct, notice shall be given to both the usufructuary and the owner.

Notices which may be given by the Issuer by advertisement, shall appear once only in two (2) daily newspapers, one (1) in the Maltese language and one (1) in the English language.

14.24 Further Issues

The Issuer may, without the consent of the Bondholders, raise further funds, from time to time, on any date, in any manner whatsoever including by the creation and issue of further bonds, as well as Tranches carrying the same terms and conditions in all respects (or in all respects except for the issue date and/or purchase price and/or redemption date) as, and so that the same shall be consolidated and form a single series and rank *pari passu* with the Bonds.

Unless otherwise stated in the Base Prospectus of and Final Terms, any company in the Group may, without the consent of the Bondholders, raise further funds, from time to time on any day, in any manner whatsoever including by the creation and issue of further bonds and on such terms as such company may decide, including the granting of security interests separate from the Security. Any such bonds shall be constituted by a separate trust deed on terms to be agreed by the relevant company and the trustee appointed in relation to such further bonds.

14.25 Governing Law

The Bond Issuance Programme, a Security Trust Deed (if any), Security (if any) and any non-contractual obligations arising out of or in connection therewith shall be governed by, and shall be construed in accordance with Maltese Law.

14.26 Jurisdiction

The Courts of Malta shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bond Issuance Programme, a security trust deed (if any), a Security (if any) including any dispute relating to non-contractual obligations arising out of or in connection therewith, and accordingly any legal action or proceedings arising out of or in connection with the aforementioned documents or otherwise, shall be brought before the Maltese courts.

14.27 Final Terms

The Conditions shall be completed in relation to any Series of Bonds by the terms of the Final Terms in relation to such Series.

14.28 Undertakings by an Applicant for the Bonds

The contract created by the acquisition of the Bonds shall be subject to the terms and conditions of the Base

Prospectus, and the memorandum and articles of association of the Issuer.

By completing and delivering an Application, the Applicant accepts that the acquisition of the Bonds is subject to the terms and conditions of the Base Prospectus and the memorandum and articles of the Issuer and shall further:-

- i. be deemed to have had notice of all information and representations concerning and relative to the Issuer and the Bonds in so far as such information and representations are contained in the Base Prospectus and applicable Final Terms;
- ii. confirm that Applicant is not a US person as defined in the Securities Act of 1933 of the United States of America and represent that Applicant is not submitting an application on behalf or for the benefit of a US person;
- iii. offer to purchase such number of Bonds at the Bond Issue Price. The Issuer acting through the Registrar reserves the right to reject an Application in whole or in part, and the Applicant shall agree to accept such number of Bonds in respect of which an Application is accepted;
- iv. in the event an Applicant is not allocated any Bonds or the Bond Issue is withdrawn or revoked, the Applicant shall receive a full refund, as the case may be, of the Bonds applied for but not allocated, without interests, through the Authorised Financial Intermediary he applied through, by direct credit transfer to such account as indicated by the Applicant, at the Applicant's sole risk within fifteen (15) Business Days from the date of final allocation or from date of withdrawal or revocation of the Bond Issue, as the case may be. The Issuer acting through the Registrar and/or the Authorised Financial Intermediaries shall not be responsible for any charges, loss or delay arising in connection with such direct credit transfer;
- v. warrant that the remittance shall be honoured on first presentation and agree that, if such remittance is not so honoured, the Applicant will not be entitled to be registered in the CSD Register and receive a registration advice, or to enjoy any rights in respect of such Bonds unless and until Applicant makes payment in cleared funds for such Bonds and such payment is accepted by the Issuer (which acceptance shall be in its absolute discretion and may be on the basis that Applicant indemnifies it/them against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of Applicant's remittance to be honoured on first presentation);
- vi. acknowledge that if payment in full is not received by the relevant time, the Issuer acting through the Registrar may cancel the allotment and Applicant agrees to indemnify and hold harmless the Issuer, the Directors and the relevant Authorised Financial Intermediaries for any loss, cost or expense suffered by them as a result of Applicant's failure to pay the subscription monies by the relevant time;
- vii. warrants and declare that the monies invested pursuant to the Application do not result directly or indirectly from the proceeds of any criminal activity and the investment is not designed to conceal such proceeds so as to avoid prosecution for an offence or otherwise;
- viii. warrant that, in connection with Applicant's Application, Applicant has 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 the application in any jurisdiction and that Applicant has not taken any action which will or may result in any of the Issuer, or any of the Authorised Financial Intermediaries acting in breach of the regulatory or legal requirements or any jurisdiction in connection with the Bonds or Applicant's Application;
- ix. agrees to provide the Issuer acting through the Registrar or the relevant Authorised Financial Intermediary any additional documentation, information or declarations that it or they may require to verify Applicant's identity in accordance with current or future anti-money laundering/terrorist financing, legislation or regulation implementing tax reporting obligations under any legislation or regulation or any other such documents, information, certificates or declarations each may reasonably require in connection with the investment. The Applicant acknowledges that any delay in providing such documentation may result in delayed processing of the Application and/or delayed payment of any future redemption payments to Applicant or processing of transfer requests on Applicant's behalf. The Applicant hereby holds the Issuer, and the Authorised Financial Intermediaries harmless and indemnify them against any loss arising as a result of a failure to process the Application if such information has been required and has not been provided by Applicant or was inaccurate in anyway. The Applicant hereby agrees to notify the Issuer immediately of any change in any documentation, information, declarations aforementioned and further agrees to request the redemption of Bonds in respect of which any such confirmations have become incomplete or inaccurate if requested to do so by the Issuer. Applicant agrees to notify the Issuer of any change in his/her tax residency status;
- x. the Issuer acting through the Registrar and the Authorised Financial Intermediaries are authorized to accept and execute any instructions by the Applicant in respect of the Bonds to which an Application relates or which may in future be acquired by an Applicant in written form or such other means as may from time to time be permitted by the Issuer or its delegates and in the case of joint holders which are given by such means by the duly authorized joint holder (the 'Instructions'). The Applicant hereby agrees to indemnify each of the Issuer and/or the Authorised Financial Intermediaries, and agrees to keep each one of them indemnified against any loss of any nature whatsoever arising to any of them as a result of any of them acting upon Instructions. The Issuer acting through the Registrar and/ or the Authorised Financial Intermediaries may each rely conclusively upon and shall incur no liability in respect of any action taken upon any Instructions or any notice, consent, request or other instrument believed in good faith to be genuine and to be signed or given by properly authorized persons;
- xi. confirm that in making an Application, the Applicant is not relying on any information or representation concerning or relating to the Issuer or the Bonds other than those contained in the Base Prospectus or the most recent annual accounts of the Issuer, and Applicant accordingly agrees that no person responsible solely or jointly for the Base Prospectus or any part thereof, will have any liability of any such

- other information or representation;
- xii. hereby agrees to indemnify and hold harmless the Issuer or its authorized agents or delegates against any loss, liability, cost or expenses (including without limitation legal fees, taxes, and penalties) which may result directly or indirectly from any misrepresentation or breach of any warranty, condition, covenant or agreement contained herein or in any other document delivered by Applicant to the Issuer or any of them and shall notify the Issuer immediately if any of the representations herein made are no longer accurate and complete in all respects;
- xiii. no person receiving a copy of the Base Prospectus in any jurisdiction other than Malta may treat the same as constituting an invitation or offer to him/her. It is the responsibility of any person outside Malta wishing to make any Application to satisfy himself/herself as to the full observance of the laws of any relevant jurisdiction in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such jurisdiction and paying any issues, transfer or other taxes required to be paid in such jurisdiction;
- xiv. in the case of joint Applicants, reference to an Applicant in the Conditions is a reference to each of the joint Applicants and liability therefore is joint and several;
- xv. agrees that the registration advice and other documents and any monies returnable to the Applicant may be retained pending clearance of his/her remittance and any verification of prevention of money laundering requirements, and that such monies will not bear interest;
- xvi. warrants that all applicable exchange control or other regulations (including those relating to external transactions) have been duly and fully complied with;
- xvii. agrees that all documents in connection with the issue of the Bonds will be sent at the Applicant's own risk and may be sent by post at the address indicated by the Applicant on the relevant Application;
- xviii. 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 Bonds;
- xix. authorises the Issuer (or its service providers, including the CSD and, or the Manager & Registrar) and, or the relevant Authorised Financial Intermediary, as applicable, to process his/her/its personal data for all purposes relating to the allotment of Bonds pursuant to the Bond Issuance Programme, in accordance with GDPR;
- xx. by signing an Application, Applicant is deemed to have been given the privacy notice required pursuant to the GDPR published by the Issuer on its website at www.agora-estates.com.

Where an Application is signed on behalf of another party or on behalf of a body of persons, the signatory warrants that he/she has due authority to do so and Applicant will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in the Base Prospectus. The signatory also undertakes to enclose the power of attorney or copy thereof duly certified by a lawyer or notary public if required to do so by the Issuer or by any one of the Authorised Financial Intermediaries. Details of a signatory will need to be made available.

In the case of corporate Applicants or Applicants having separate legal personality, Applications have to include a valid legal entity identifier ("LEI") which must be unexpired. The failure to include a valid LEI invalidates an Application.

14.29 Data Protection

The Issuer, and the relevant Authorised Financial Intermediary shall hold, use, obtain, disclose and process Applicant's personal data in accordance with the GDPR. Personal data shall be processed by the Issuer acting through the Registrar, and the relevant Authorised Financial Intermediary, for the purposes of issuing and allotting the Bonds to Applicant and administering the holding of the Bonds on an ongoing basis, and to comply with applicable legal and regulatory obligations including anti-money laundering obligations. All telephone calls shall be recorded for record keeping, security and/or training purposes. Personal data may also be used for statistical analysis and market research.

The Issuer acting through the Registrar and the relevant Authorised Financial Intermediary shall disclose Applicant's data to its delegates and agents including its service providers, where necessary, or for legitimate business interests including those of the Issuer and the Authorised Financial Intermediary or their service providers.

Personal data shall also be shared with the MSE. For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations (Legal Notice 372 of 2017, as subsequently amended), all 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 of the MSE Bye-Laws, irrespective of whether the Authorised Financial Intermediaries are member firms of the MSE or not. Such information shall be held and controlled by the MSE in terms of the GDPR for the purposes, and within the terms, of the MSE's data protection policy as published from time to time.

Third Parties to whom data may be disclosed may be situated in jurisdictions that do not provide an adequate level of data protection and/or appropriate safeguards, in which case any such disclosure shall be made subject to applicable law.

The information requested in the Application is mandatory and without which no investments can be made in Applicant's name.

Personal data can be collected directly from the Applicant and/or Bondholder but also from third parties.

A Bondholder or Applicant may request a copy of the personal data processed by the Issuer, and an Authorised Financial Intermediary or their agents by sending a written signed request to any of them at their registered address. If any personal data is found to be inaccurate or incomplete, the Bondholder or Applicant has the right to request that this be rectified or completed, as appropriate. The Bondholder or Applicant also has the right to object to the processing of his/her personal data in those instances allowed by law. A Bondholder or Applicant has a right to object to the processing of his/her data for direct marketing purposes by written request to the Issuer and an Authorised Financial Intermediary depending on who is processing his/her data. A Bondholder or Applicant has the right to request erasure of his/her personal data and/or to restrict its processing in circumstances allowed by law. A Bondholder or Applicant may withdraw his/her consent at any time where processing is based on such consent. A Bondholder or Applicant has the right to request data portability. A Bondholder or Applicant has the right to lodge a complaint with the Information and Data Protection Commissioner in case he/she feels the Issuer or an Authorised Financial Intermediary has breached his/her rights regarding its processing of his/her data.

Personal data shall be held throughout the period a Bondholder retains Bonds, and for such further time with respect of a Bondholder and/or an Applicant as is required by law to protect the Bondholder's/Applicant's interests and those of the Issuer and/or Authorised Financial Intermediary.

15. TAXATION

15.1 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 Bonds, including their acquisition, holding and transfer, as well as any income/gains derived therefrom or made on their transfer. The tax legislation relevant to a Bondholder's and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. The following is a summary of the anticipated tax treatment applicable to the Bonds and 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 and an Applicant is to consult his/her own independent tax advisors in case of doubt.

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 Base Prospectus, in respect of a subject on which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation, as well as the levels of tax on the subject matter referred to in the preceding paragraph, may change from time to time.

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

15.2 Malta Tax on Interest

Since interest is payable in respect of a Bond which is the subject of a public issue, unless the Issuer is otherwise instructed by a Bondholder that he/she/it is entitled to receive the interest gross from 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 (Chapter 123 of the laws of Malta), interest shall be paid to such person net of a final withholding tax, currently at the rate of 15% (10% in the case of certain types of collective investment schemes) of the gross amount of the interest, pursuant to article 33 of the Income Tax Act. Bondholders who do not fall within the definition of a "recipient" do not qualify for the said rate and should seek advice on the taxation of such income.

This withholding tax is considered as a final tax and a Maltese resident individual Bondholder need not declare the interest so received in their income tax return if paid net of tax. No person (whether corporate or non-corporate) shall be charged to further tax in respect of such income and the tax deducted shall not be available as a credit against the recipient's tax liability or available as a refund, as the case may be.

The Issuer will render an account to the Maltese Commissioner for Tax and Customs of all amounts of interest paid and tax so deducted, including the identity of the recipient.

In the case of a valid election made in writing by an eligible Bondholder resident in Malta to receive the interest due without the deduction of final tax, interest will be paid gross and such person will be obliged to declare the interest so received in their income tax return and be subject to tax on such interest at the standard rates applicable to that person at that time. Additionally, in this latter case the Issuer will advise the Malta Commissioner for Tax and Customs on an annual basis in respect of all interest paid gross and of the identity of all such recipients. Any such election made by a resident Bondholder at the time of subscription may be subsequently changed by giving notice in writing to the Issuer. Such election or revocation will be effective within the time limit set out in the Income Tax Act.

In terms of article 12(1)(c) of the Income Tax Act, Bondholders who are not resident in Malta satisfying the applicable conditions set out therein, including but not limited to the condition that the Bondholder is not owned and controlled by, whether directly or indirectly, nor acts on behalf of an individual/s who are ordinarily resident and domiciled in Malta, are not taxable in Malta on the interest received and will receive interest gross, subject to the requisite declaration/evidence being provided to the Issuer in terms of law.

15.3 Exchange of Information

In terms of applicable Maltese legislation, the Issuer and/or its agent are required to collect and forward certain information (including, but not limited to, information regarding payments made to certain Bondholders) to the Commissioner for Tax and Customs. The Commissioner for Tax and Customs will or may, in turn, automatically or on request, forward the information to other relevant tax authorities subject to certain conditions.

Relevant legislation includes, but is not limited to:

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

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

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

Under the FATCA Legislation, FIs in Malta (defined as such for the purposes of FATCA) are obliged to identify and report financial accounts held by Specified U.S. persons, as defined under the FATCA Legislation, and certain non-U.S. entities which are controlled by U.S. Controlling Persons, as defined under the FATCA Legislation, to Commissioner for Tax and Customs. The latter is in turn required to exchange such information to the US Internal Revenue Service. Financial account information in respect of holders of the Bonds could fall within the scope of FATCA and they may therefore be subject to reporting obligations.

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

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

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

15.4 Maltese Taxation on Capital Gains on Transfer of the Bonds

On the assumption that the Bonds would 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", if the Bonds are held as capital assets by the Bondholder, no income tax on capital gains is chargeable in respect of transfer of the Bonds.

15.5 Duty on Documents and transfers

In terms of the Duty on Documents and Transfers Act (Chapter 364 of the laws of Malta), duty is chargeable *inter alia* on the transfer 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".

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

Furthermore, even if the Bonds are considered to be marketable securities for the purposes of the Duty on Documents and Transfers Act, in terms of article 50 of the FMA, in view of the fact that the Bonds constitute financial instruments

of a company quoted on a regulated market exchange, as is the MSE, redemptions and transfers of the Bonds should in any case be exempt from Maltese duty.

16. STATEMENT BY EXPERTS

16.1 Property Valuation Report

The Property Valuation Report has been prepared by Perit Mark Arrigo B.E. & A. (Hons), M.SC.(Surrey), A. & C.E., an architect and civil engineer of MA Architects, of AX Business Centre, Triq id-Difiza Civili, Mosta MST1741, Malta.

The condensed Property Valuation Report has been included in the form and context in which it appears with the authorisation of the Architect, who has given, and has not withdrawn, his consent to the inclusion of the said reports herein.

16.2 Interest of Experts and Advisors

Save for the Property Valuation Report, the Base Prospectus does not contain any statement or report attributed to any person as an expert.

The Architect does not have any material interest in the Issuer.

The Issuer confirms that the condensed Property Valuation Report drawn up by the Architect has been accurately reproduced in the Base Prospectus and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

Other than as aforesaid, and the possible subscription of Bonds and payment of fees to professional advisors and service providers in connection with the Bond Issue, the Issuer is not aware of any person involved in the Bond Issue that has a material interest in the Bond Issue.

17. DOCUMENTS ON DISPLAY

Throughout the period of validity of the Base Prospectus, the following documents (in original or in copy) shall be available for inspection at the Issuer's registered address:-

- i. the Memorandum and Articles of Association of the Issuer;
- ii. the audited financial statements of the Issuer for the years ended 31 December 2020, 2021 and 2022;
- iii. the unaudited interim financial statements of the Issuer covering the periods between 1 January 2022 and 30 June 2022 and 1 January 2023 and 30 June 2023;
- iv. the condensed and full versions of the valuation report dated 31 December 2023 prepared by the Architect, the former of which is reproduced in Annex I of this Base Prospectus;
- v. the Security Trust Deed between *inter alia* the Security Trustee and the Issuer;
- vi. the Bank Facility.

Documents listed in (i) to (vi) are also available on the Issuer's website at www.agora-estates.com.

18. FORM OF FINAL TERMS

FINAL TERMS DATED [.]

€21,000,000 BOND ISSUANCE PROGRAMME
issued

by

AGORA ESTATES PLC
Tranche Number [.]
€[.] [-] % Secured Bonds [.]
of a nominal value of €100 per Bond
Series Number [.]
ISIN: [.]

Part A – Contractual Terms

Capitalised terms used in the Final Terms which are not otherwise herein defined, shall have the definitions assigned to them in the Base Prospectus dated [-] 2024, which was approved by the MFSA on [-] 2024, and which constitutes a base prospectus for purposes of the Prospectus Regulation.

The following capitalised terms used in the Final Terms shall have the following meanings:-

[.]

This document constitutes the Final Terms and has been prepared for the purpose of Article 8(4) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus and any Supplement thereto in order to obtain

all the relevant information which is available on the Issuer's website (www.agora-estates.com.mt). Copies may be obtained free of charge from the registered office of the Issuer. The issue-specific summary, required in terms of Article 8(8) (and drawn up in accordance with Article 7) of the Prospectus Regulation, is being appended to these Final Terms.

Information concerning the Bonds

1.	Issuer	Agora Estates p.l.c.
2.	Series number	[.]
3.	Tranche number	[.]
4.	Currency of the Bonds	[.]
5.	Aggregate Nominal Amount	
	i. Series	[.]
	ii. Tranche	[.]
6.	Total amount of Bonds offered	[.]
7.		
	i. Bond Issue Price	[.]
	ii. Net Proceeds	[.]
8.	Denomination	[.]
9.	Issue Date	[.]
10.	Maturity Date	[.]
11.	Redemption Price	At par, i.e. at €100 per Bond
12.	Dates of the corporate authorisations for issuance of the Bonds	[.]

Interest

13.	Rate of Interest	[.]
14.	Interest Payment Date/s	[.]
15.	Commencement of Interest	[.]

General Provisions

16.	Taxation	As per "Taxation", Section 15 of the Base Prospectus
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Part B – Other Information

1. *Admission to Listing and Trading*

i. *Admission to Listing*

The Bonds were authorized as admissible to listing in Malta on the Official List of the MSE by virtue of a letter issued by the MFSA dated [.]

ii. *Admission to trading*

Application has been made to the MSE in Malta for the Bonds issued pursuant to the Final Terms to be admitted to trading thereon. The Bonds are expected to be admitted to the MSE with effect from [.] and trading is expected to commence on [.]

Trading in the Bonds shall not commence before the Issuer has been admitted to the Official List of the MSE.

iii. *Previous admission to trading*

Not applicable

iv. *Estimate of total expenses related to admission to trading*

[.]

2. *Third Party Information*

[.]

3. *Interests of natural and legal persons involved in the issue of the Tranche*

[.]/Save for any commissions payable in connection with the issue of the Bonds to Authorised Financial Intermediaries (which includes Jesmond Mizzi Financial Advisors Ltd as Sponsor and Bank of Valletta p.l.c. as Manager & Registrar) or the fees payable to the advisers of the Issuer in connection with the offer of the Bonds, so far as the Issuer is aware, no person involved in the Tranche issue has a material interest in it.

4. *Reasons for the offer and use of proceeds, estimated net proceeds and total expenses*

i. *Reasons for the offer and use of proceeds*

[.]

ii. *Estimated total expenses of the issue*

[.]

iii. *Estimated net amount of the proceeds*

[.]

5. *Terms and conditions of the offer*

i. *Conditions to which the offer is subject*

[The issue and allotment of the Bonds is subject to the Bonds being admitted on the Official List. [There is no minimum subscription amount for this Tranche] / [.]

[In the event that [this condition]/[any of these conditions] is not satisfied, the subscription for the Bonds shall be deemed not to have been accepted by the Issuer, any application monies will be returned without interest by direct credit into the Applicant's bank account, and the issue of Bonds shall be cancelled forthwith].

ii. *Expected Timetable*

Placement Date

[.]

Commencement of Interest

[.]

Issue Date

[.]

Expected date of admission of the Bonds to listing

[.]

Expected date of commencement of trading of the Bonds

[.]

Expected publication date for the constitution of the Security Interest

[.]

6. *Plan of Distribution and Allotment*

i. *Categories of Potential Investors*

[.]

ii. *Preferred Applicants*

[.]/N/A

iii. *Placement*

[.]/N/A

iv. *Intermediaries Offer*

[.]/N/A

v. *Conditions for use of the Base Prospectus by the Authorised Financial Intermediary/ies*

[.]/N/A

vi. *Selling commissions*

[.]

7. *Yield*

i. *Indication of Yield*

[.]

ii. *Method of Calculating Yield*

[.]

8. Security

i. Security Provider

[.]/N/A

ii. Secured Asset(s)

iii. Security in place (if any) given by the Issuer and/or the Security Provider, and in place at the time of the respective Final Terms

[.]/N/A

iv. Security to be provided by a Security Provider to secure the Bond Obligations in respect of a Tranche

[.]

v. Constitution of Security and Release of Bond Proceeds

[.]

vi. Ranking of the Bonds

[.]

vii. Other

[.]/N/A

9. Additional Information

i. Reservation of a Tranche, or part thereof, in favour of specific retail and/or non-retail investors or categories of either

[.]

ii. Time period, including any possible amendments, during which the offer will be open

[.]

iii. Arrangements for publication of final size of issue/offer

[.]

iv. Description of the application process

[.]

v. Details of the minimum/maximum amount of application (whether in numbers of securities or aggregate amount to invest)

[.]

vi. Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants

[.]

vii. Method and time limits for paying up the securities and for delivery of the securities

[.]

viii. Full description of the manner and date in which results of the offer are to be made to public

[.]

ix. Procedure for the exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised

N/A

x. Indication of the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure

[.]

xi. Amount of any expenses and taxes specifically charged to the subscriber

[.]

xii. Process for notification to applicants of the amount of Bonds allotted and indication whether dealing may begin before notification is made

[.]

PART C – PURPOSE OF FINAL TERMS

These Final Terms comprise the Final Terms required for the offer for subscription, issue and admission to trading on

the Official List of Tranche [.] pursuant to the Bonds Issuance Programme of a maximum of €21,000,000 of the Issuer dated [-].

PART D RESPONSIBILITY

The Issuer accepts responsibility for the information contained in the Final Terms.

Signed by [.]

*Annex 1
Issue Specific Summary*

*Annex 2
Financial Analysis Summary*

*Annex 3
List of Authorised Intermediaries*

ANNEX 1

The Property Valuation Report in condensed format



J. Zammit Estates Ltd, Car-Sun Ltd, & De Rohan Business Centre Ltd
Aries House
Mdina Road Zebbug
ZBG9016 Malta

31 December 2023

Condensed Property Valuation Report

Valuation: Portfolio Valuation of J. Zammit Estates Ltd, Car-Sun Ltd, and De Rohan Business Centre Ltd

Perit Mark Arrigo (the Valuer), of AX Business Centre, Triq id-Difiza Civili, Mosta, was engaged as an External Valuer to carry out valuations of the eleven (11) below listed properties (the Property of the Properties) on behalf of J. Zammit Estates Limited, Car-Sun Limited and De Rohan Business Centre Limited (the Client).

The valuation reports are signed off by Mark Arrigo, Director of MA Architects Limited and holder of Warrant Number 673 issued in accordance with the Periti Act of the Laws of Malta.

The valuations follow standards and general guidelines issued by the Royal Institute of Chartered Surveyors (RICS) and the IVS (international valuation standards), and are in accordance with the local KTP Valuation Standards (2012), which are aligned with the TEGoVA European Valuation Standards.

The purpose of this Report is for inclusion with the Prospectus, in accordance with Chapter 7 of the Capital Market Rules published by the Malta Financial Services Authority. Unless otherwise defined in this Report, terms defined in the Prospectus shall have the meanings ascribed to them in the Report.

1. Scope of Engagement

The Valuations have been carried out in conformity with the Letter of Engagement dated 30 March 2023. The properties referred to in the Letter and the scope of the agreed procedures with regard to the type of valuation have not changed during the valuation process.

2. Purpose of Valuation

This valuation has been prepared in response to a request by the Client to assess the market value of the properties for the purpose of a bond issue.

3. Date of Valuation

The date of valuation for the subject properties is the 25 August 2023. A valuation is time dependent and therefore reflects the collected information and market conditions on the above stated date of valuation and thus excludes periods prior and posterior to the stated date.

In the event that the date of valuation occurs after the date of inspection, it is assumed that, in the period between both dates, the properties valued, and the surroundings have not undergone any changes in terms of policies, regulations, market development or material change, unless specifically reported by the undersigned.

4. Basis of Valuation

The reported values constitute an estimate of the "Market Value" of the Properties, as defined in the European Council Directive 2006/48/EC, as amended, that is, "the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

5. General Assumptions

General assumptions are applied on the basis that the Valuer can reasonably accept these assumptions based on the information provided by the Client or information gathered by the Valuer.

The following assumptions apply to the valuations:

- The underlying valuer is an independent professional, and this valuation exercise is free of any interests from anyone including the employer and his/her directors.
- There are no further matters known to the valuer that are relevant for the purpose of this valuation exercise.
- This valuation follows standards and general guidelines issued by the Royal Institute of Chartered Surveyors (RICS) and the IVS (international valuation standards), and is in accordance with the local KTP Valuation Standards (2012), which are aligned with the TEGoVA European Valuation Standards.
- The tenure or the title of ownership of the properties have not been investigated as this was not within the scope of this valuation, given that such checks are being carried out by the Legal and Financial specialists handling the bond issue. Such investigations do not fall within the competence of the undersigned and any considerations regarding title have been reported to the undersigned by the client. Any comments regarding title are being made in order to make the client aware of any potential issues that could affect the value or the marketability of the property. The undersigned accepts no liability in this regard.
- For the purposes of this valuation, based on a general visual inspection and checks of existing permits, there are no material contraventions that can have a significant bearing on the value of the properties. Minor deviations from the permit are excluded based on the assumption that these can easily be rectified and at a minimal cost.
- Only a cursory building structural survey of the properties has been carried out. Those parts of the properties that are covered, unexposed or inaccessible have not been inspected and such parts have been assumed to be in a good repair and condition. An opinion about the condition of the uninspected parts cannot be expressed and this report must not be interpreted as if it validates the integrity of the structure or fabric of the properties.

6. Valuation Uncertainty

All valuations are opinions of an estimated price that would be achieved in a transaction as at the date of valuation, based on the stated assumptions and, if applicable, special assumptions. The degree of certainty may, like all opinions, vary significantly. These variations can arise due to the inherent features of the property, the market or information (un) available to the Valuer. The provision and assessment of uncertainty is part of the professional skill and judgement of the Valuer.

Unforeseen macroeconomic or political crises can have a sudden and severe effect on markets. This could manifest itself by either panic buying or selling or hesitation to trade. In those circumstances this valuation cannot be seen as representative, and the undersigned reserves all rights to amend this valuation if such circumstances prevail.

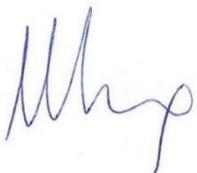
This valuation exercise is based on the current demand for commercial properties, which is currently subdued when compared to the previous 10 years, and may remain so for the foreseeable future. This valuation also takes in consideration the likely changes to Malta's tax system, brought about by changes in international taxation policies.

7. Summary of Values

On the basis of the characteristics and conditions described in the Valuation Reports, as well as current market trends, I estimate the cumulative value of the interest of the properties forming part of the Portfolio held by J. Zammit Estates Limited, Car-Sun Limited and De Rohan Business Centre Limited to be €46,543,000 (forty-six million, five hundred and forty-three thousand Euro), ascribed in the following manner:

Item	Name of property	Location	Market Value	
			€	
1	Agora Business Centre	Msida	€	10,400,000.00
2	Agora Retail Centre	Zebbug	€	5,600,000.00
3	Agora Terraces	Iklin	€	1,720,000.00
4	Aries House	Zebbug	€	6,000,000.00
5	Casa Pisani	Birkirkara	€	970,000.00
6	Daikin, Notabile Residence	Attard	€	1,383,000.00
7	De Rohan Business Centre	Zebbug	€	11,500,000.00
8	66, Office and Garage, & Garage 8	Qormi	€	445,000.00
9	JC Car Sales	Marsa	€	1,800,000.00
10	Tal Qenc Warehouse	Zebbug	€	6,200,000.00
11	Handaq Warehouse	Qormi	€	525,000.00
		Total	€	46,543,000.00

The following section consists of a summary of the valuation reports and the properties forming part of the portfolio of J. Zammit Estates Limited, Car-Sun Limited and De Rohan Business Centre Limited.



Mark Arrigo
B.E. & A. (Hons), M.Sc.(Surrey), Perit.

Property Reference	1
Object of Valuation	Agora Business Centre, Triq il-Wied tal-Imsida, L-Imsida
Inspection	8 August 2023
Property Type	Offices with ancillary facilities.
Description	Office block spread over 4 levels and an intermediate floor, with parking facilities at first floor and a branded cafeteria at ground floor.
Accommodation	The Net Usable Area is c. 3,772m ² and the Gross External Area is c. 4,451.20m ² .
Tenure	Freehold
Occupation	<p>All the property, except the top receded floor level, has been leased out. Leases on this property mainly commenced in the second quarter of 2022 with other leases commencing in the third quarter of this year. All leases are for a period of 10 years.</p> <p>Part of the ground floor is leased at commercial rates and on an arm's length basis to an entity within the Zammit Holdings Group.</p> <p>The 10 years are composed of 5 years <i>di fermo</i> and 5 years <i>di rispetto</i>. During the <i>di fermo</i> period, the tenant cannot terminate the lease. Sixty days prior to the expiry of the <i>di fermo</i> period, the tenant needs to deliver notice if it wishes to terminate the lease. If such notice is not provided, then the <i>di rispetto</i> period is automatically applied. During the <i>di rispetto</i> period, the tenant has the right to terminate the lease at the end of each anniversary of the <i>di rispetto</i> commencement date.</p>
Age	The property was constructed in 2020 and completed in 2022.
Easements	None at the time of the valuation.
Hypothecs	The property has 3 registered hypothecs as detailed in the full valuation report.
Planning History	The property was built through permit PA/02307/19 - <i>Proposed alterations and extension to existing showroom approved by PA/001594/17. Proposal includes change of use from offices (Class 4A) to ancillary parking at first floor, construction of an intermediate level for Class 4A offices, construction of Class 4A offices at third floor and construction of receded floor.</i>
Compliance	No material planning contraventions or enforcements were noted onsite from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€10,400,000 (Ten Million and Four Hundred Thousand Euro)

Property Reference	2
Object of Valuation	Agora Retail Centre, Triq L-Imdina, Haz-Zebbug, Malta
Inspection	8 August 2023
Property Type	Showroom and retail facilities.
Description	The property comprises retail areas in all above ground levels and has three basement levels for parking and storage.
Accommodation	The Net Usable Area is c. 3,572m ² and the Gross External Area is c. 3,708m ² .
Tenure	Freehold
Occupation	<p>The property has been fully leased between four tenants, three tenants have a 10-year lease starting from the last quarter of 2023 and another is already utilising the property under a six-month lease ending November 2023. Discussions are currently in their final stages for this tenant to renew the lease which is expiring in November for 10 years.</p> <p>The 10 years are composed of 5 years <i>di fermo</i> and 5 years <i>di rispetto</i>. During the <i>di fermo</i> period, the tenant cannot terminate the lease. Sixty days prior to the expiry of the <i>di fermo</i> period, the tenant needs to deliver notice if it wishes to terminate the lease. If such notice is not provided, then the <i>di rispetto</i> period is automatically applied. During the <i>di rispetto</i> period, the tenant has the right to terminate the lease at the end of each anniversary of the <i>di rispetto</i> commencement date.</p>
Age	The structure is older than 20 years. The building was fully refurbished in 2022-2023.
Easements	None at the time of the valuation.
Hypothecs	The property has 1 registered hypothec as detailed in the full valuation report.
Planning History	The property can be observed on the Planning Authority's 1998 aerial image. The following approved planning permits cover the site: PA/02599/01 (Excavation of basement store); PA/07265/03 (Changes to façade); PA/05505/09 (Changes to façade as already approved by permit PA/07265/03) and PA/01306/15 (Renewal of PA/05505/09).
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€5,600,000 (Five Million and Six Hundred Thousand Euro)

Property Reference	3
Object of Valuation	Agora Terraces, Triq Giovanni Curmi c/w Triq Lewis F. Mizzi, L-Iklin
Inspection	11 August 2023
Property Type	Showroom and offices.
Description	The property is currently under construction. It will include a basement garage, ground-floor showroom, and first-floor office. Overlying these, there will be a residential units spread on to the second, third, and receded floor levels.
Accommodation	For the commercial element of the development only, the Net Usable Area is c. 759m ² and the Gross External Area is c. 950.70m ² .
Tenure	Freehold
Occupation	No leases or sub-leases at the time of the valuation.
Age	The property is currently under construction. At the time of valuation, the shell structure was completed up to ground floor level.
Easements	None at the time of the valuation.
Hypothecs	The property has 1 registered hypothec as detailed in the full valuation report.
Planning History	The property is being constructed through approved permit PA/02905/22 - <i>Construction of basement garage, ground floor showroom, first floor offices, 7 apartments on second, third and fourth floor and two common areas with lifts. This with a different layout from that approved in permission PA7094/16 and changes to uses above first floor from Class 4A offices to Class 1 dwellings.</i>
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	The residential units are not taken into account for the purpose of this valuation since the client has informed the undersigned that the income from the sales of these units will be used to pay off a loan facility for this same portion of the property.
Value	€1,720,000 (One Million, Seven Hundred and Twenty Thousand Euro)

Property Reference	4
Object of Valuation	Aries House, Triq L-Imdina, Haz-Zebbug
Inspection	07 August 2023
Property Type	Retail and Office complex.
Description	The property consists of two basement levels, used for parking, carwash and a VRT testing station; a ground floor car showroom and offices; and an overlying first and receded floor levels of office space.
Accommodation	The Net Usable Area is c. 3901m ² and the Gross External Area is c.4498.50m ² .
Tenure	Freehold
Occupation	<p>The Agora Group utilises 210 m² from the first floor of this property as a contingency site. Another 235 m² from the first floor are available for rent.</p> <p>The remaining rentable areas within the property are leased out to third parties for a period of 10 years. Part of the lower basement level houses a licensed VRT station on a trial basis.</p> <p>The 10 years are composed of 5 years <i>di fermo</i> and 5 years <i>di rispetto</i>. During the <i>di fermo</i> period, the tenant cannot terminate the lease. Sixty days prior to the expiry of the <i>di fermo</i> period, the tenant needs to deliver notice if it wishes to terminate the lease. If such notice is not provided, then the <i>di rispetto</i> period is automatically applied. During the <i>di rispetto</i> period, the tenant has the right to terminate the lease at the end of each anniversary of the <i>di rispetto</i> commencement date.</p>
Age	The property was originally built in 1999.
Easements	None at the time of the valuation.
Hypothecs	The property has 1 registered hypothec as detailed in the full valuation report.
Planning History	This property was built through permit PA/03011/98 and later extended through PA/09418/18 - <i>To construct office space (Class 4A) at receded floor level and part change of use from showroom for cars to parking to accommodate parking requirements for proposed offices at ground floor level. Proposal is for the consolidation of commercial activity. Application also includes the sanctioning of changes carried out to facade and installation of shop sign on Triq L-Imdina, sanctioning of offices at roof level, propose demolition of offices at roof level and propose alterations at ground floor level.</i>
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€6,000,000 (Six Million Euro)

Property Reference	5
Object of Valuation	Casa Pisani, Triq Brared, Birkirkara
Inspection	11 August 2023
Property Type	House and garden.
Description	The property consists of a two-storey double-fronted town-house with its own airspace and large rear garden.
Accommodation	The site area is c.358m ² , the internal Gross External Area is c. 361m ² and the rear garden is c. 175m ² .
Tenure	Freehold
Occupation	No leases or sub-leases at the time of the valuation.
Age	The property was likely constructed in the 1950s.
Easements	None at the time of the valuation.
Hypothecs	None at the time of the valuation.
Planning History	<p>The property was constructed prior to 1968 and is shown on the 1967 survey sheet.</p> <p>The property is also covered by an approved permit PA/01159/15 - <i>Proposed demolition of existing building and construction of 6 apartments on 3 floors, and underlying garages</i>. No works have been done to date.</p>
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	The value of the property takes in consideration the development potential.
Value	€970,000 (Nine Hundred and Seventy Thousand Euro)

Property Reference	6
Object of Valuation	Daikin, Notabile Residence, Triq L-Imdina, Attard
Inspection	11 August 2023
Property Type	Showroom and ancillary facilities.
Description	The property consists of a showroom at ground floor level and underlying car parking spaces at basement level.
Accommodation	The Net Usable Area is c. 883m ² and the Gross External Area is c.895.50m ² .
Tenure	Freehold
Occupation	<p>The property has been fully leased to third parties with effect from April 2021 for a period of 10 years.</p> <p>The 10 years are composed of 5 years <i>di fermo</i> and 5 years <i>di rispetto</i>. During the <i>di fermo</i> period, the tenant cannot terminate the lease. Sixty days prior to the expiry of the <i>di fermo</i> period, the tenant needs to deliver notice if it wishes to terminate the lease. If such notice is not provided, then the <i>di rispetto</i> period is automatically applied. During the <i>di rispetto</i> period, the tenant has the right to terminate the lease at the end of each anniversary of the <i>di rispetto</i> commencement date.</p>
Age	The property was originally built between 2018 and 2020.
Easements	None at the time of the valuation.
Hypothecs	The property has 1 registered hypothec as detailed in the full valuation report.
Planning History	<p>The property was built through permit PA/01571/16 - <i>Renewal to PA845/08 (proposed basement and semi basement as parking spaces, and garages, proposed commercial outlets at semi-basement and ground floor level, apartments at 1st/2nd and penthouse level.</i></p> <p>This was and later amended through PA/06755/17 - <i>Amended Application to PA 1571/16 including: construction of three floors of basement garages, ground floor car showroom and overlying apartments, three apartments per floor from first to third floor (nine apartments in total) and two penthouses at receded floor levels.</i></p>
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€1,383,000 (One Million, Three Hundred and Eighty-Three Thousand Euro)

Property Reference	7
Object of Valuation	De Rohan Business Centre, Triq L-Imdina, Haz-Zebbug, Malta
Inspection	07 August 2023
Property Type	Showroom and offices.
Description	This property is currently an excavated site with permits for the construction a showroom and office spaces at ground, intermediate and first floors, with three underlying basement levels of car parking.
Accommodation	The Net Usable Area is c. 9,626m ² and the Gross External Area is c.11,055.50m ² .
Tenure	The client has reported that this property is held under a title of temporary emphytheusis which will be converted to a freehold title once the property is developed.
Occupation	None at the time of the valuation.
Age	The property is yet to be constructed.
Easements	None at the time of the valuation.
Hypothecs	None at the time of the valuation.
Planning History	<p>The property is covered by PA/01017/09 - <i>Amended application PA5243/95, PA1442/98 (renewal) and PA2592/03. To carry out internal and external alterations to approved development and addition of intermediate level.</i></p> <p>A more recent permit is at screening stage as mentioned with reference number PA/00452/23 - <i>Construction of underground basement parking, Showroom at ground floor and Offices Class 4A at upper levels with a different layout from that approved in permission PA/1017/09. Changes include addition of one basement level for parking and a receded level for Office use</i></p>
Compliance	No material planning contraventions or enforcements were noted onsite from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€11,500,000 (Eleven Million, Five Hundred Thousand Euro)

Property Reference	8
Object of Valuation	66, Office and Garage, & Garage 8, Triq Il-Bellic, Hal Qormi
Inspection	10 August 2023
Property Type	Garages and an office.
Description	The property is made up of one large garage that can accommodate 8 cars, an office space overlooking Triq Il-Bellic, and one smaller garage for one car with space for storage.
Accommodation	The Net Usable Area is c.243.40m ² and the Gross External Area is c.267.20m ² .
Tenure	Freehold
Occupation	<p>Garage 66 and the office have been leased to third parties with effect from August 2022 for a period of 10 years. Garage 8 is used by AgoraGroup for storage purposes.</p> <p>The 10 years are composed of 5 years <i>di fermo</i> and 5 years <i>di rispetto</i>. During the <i>di fermo</i> period, the tenant cannot terminate the lease. Sixty days prior to the expiry of the <i>di fermo</i> period, the tenant needs to deliver notice if it wishes to terminate the lease. If such notice is not provided, then the <i>di rispetto</i> period is automatically applied. During the <i>di rispetto</i> period, the tenant has the right to terminate the lease at the end of each anniversary of the <i>di rispetto</i> commencement date.</p>
Age	This property was constructed between 2000 and 2004.
Easements	None at the time of the valuation.
Hypothecs	None at the time of the valuation.
Planning History	Garage 66 has a recent permit PA/03596/15 - <i>Change of use from a garage to a Class 4A office, removal of the existing signage and installation of a new sign, and sanctioning of part over the ramp area and marble cladding on the façade</i> . This area was previously approved through PA/05608/00 - <i>To erect basement garages and overlying ground floor garages and first & second floor flats</i> . Garage 8 and the whole block was originally constructed through permit PA/03654/02 - <i>To demolish and erect two basement garages, ground floor shops and offices and overlying flats first and second floor</i> .
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	Garage 66 - €240,000 (Two Hundred and Forty Thousand Euro) Garage 8 - €45,000 (Forty-Five Thousand Euro). Office - €160,000 (One Hundred and Sixty Thousand Euro)

Property Reference	9
Object of Valuation	JC Car Sales, Triq il-Labour u Triq ix-Xwieni, Marsa
Inspection	08 August 2023
Property Type	Showroom and ancillary facilities.
Description	This property is a showroom on ground and intermediate levels, with an underlying basement level, used for storage and cleaning/preparation of vehicles. All levels are serviced with a car lift.
Accommodation	The Net Usable Area is c.751m ² and the Gross External Area is c.966.40m ² .
Tenure	Freehold
Occupation	The property has been fully leased to third parties with effect from October 2019 for a period of 10 years. The 10 years are composed of 5 years <i>di fermo</i> and 5 years <i>di rispetto</i> . During the <i>di fermo</i> period, the tenant cannot terminate the lease. Sixty days prior to the expiry of the <i>di fermo</i> period, the tenant needs to deliver notice if it wishes to terminate the lease. If such notice is not provided, then the <i>di rispetto</i> period is automatically applied. During the <i>di rispetto</i> period, the tenant has the right to terminate the lease at the end of each anniversary of the <i>di rispetto</i> commencement date.
Age	This property was constructed in the early 1990s.
Easements	None at the time of the valuation.
Hypothecs	The property has 1 registered hypothec as detailed in the full valuation report.
Planning History	The property is covered by permits related to changes of use from PA/06514/01 to PA/05809/02, to the more recent PA/11059/17 - <i>Sanctioning of internal alterations and proposed part change of use from showroom to public service garage.</i>
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€1,800,000 (One Million and Eight Hundred Thousand Euro)

Property Reference	10
Object of Valuation	Tal-Qenc Warehouse Complex, Sqaq Il-Qenc, Haz-Zebbug, Malta
Inspection	07 August 2023
Property Type	Warehouse, Storage and Office Complex.
Description	The property has three basement levels, mainly used for storage, warehousing and for parking requirements, offices and a servicecentre at ground floor and storage facilities at intermediate level.
Accommodation	The Net Usable Area is c.5697m ² and the Gross External Area is c.7622.20m ² .
Tenure	Freehold
Occupation	<p>The property has been fully leased to third parties with effect from January 2024, for a period of 10 years, with the tenants already given access to the property to set up their operations.</p> <p>The 10 years are composed of 5 years <i>di fermo</i> and 5 years <i>di rispetto</i>. During the <i>di fermo</i> period, the tenant cannot terminate the lease. Sixty days prior to the expiry of the <i>di fermo</i> period, the tenant needs to deliver notice if it wishes to terminate the lease. If such notice is not provided, then the <i>di rispetto</i> period is automatically applied. During the <i>di rispetto</i> period, the tenant has the right to terminate the lease at the end of each anniversary of the <i>di rispetto</i> commencement date.</p>
Age	This property was constructed between 2021 and 2023.
Easements	None at the time of the valuation.
Hypothecs	The property has 3 registered hypothec as detailed in the full valuation report.
Planning History	The property was built through PA/07033/17 - <i>To construct public service garage (47 no car spaces) at basement level -3, parking facilities (72 no car spaces) at basement levels -2 & -1, warehouse (Class 6A) at ground floor level and office space (Class 4A) at intermediate floor level. Application includes excavation on site and proposed PV panels.</i>
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€6,200,000 (Six Million and Two Hundred Thousand Euro)

Property Reference	11
Object of Valuation	Warehouse, Triq Mastru Gorg Cachia, Handaq, Hal-Qormi
Inspection	07 August 2023
Property Type	Warehouse
Description	The property is a warehouse at ground floor with a small of- fice space at intermediate level.
Accommodation	The Net Usable Area is c.396.9m ² and the Gross External Area is c.423.10m ² .
Tenure	Freehold
Occupation	None at the time of the valuation.
Age	The property
Easements	None at the time of the valuation.
Hypothecs	None at the time of the valuation.
Planning History	This property has an approved permit PA/00596/19 for sanctioning of variations and was previously approved and amended through various permits since 1992. The ground floor is approved as a parking area to satisfy the parking requirements of the whole block.
Compliance	No material planning contraventions or enforcements were noted on site from a visual inspection and online checks of the Planning Authority portal.
General Remarks	N/A
Value	€525,000 (Five Hundred and Twenty-Five Thousand Euro)

Agora

Agora



FINAL TERMS

DATED 12 FEBRUARY 2024





FINAL TERMS DATED 12 FEBRUARY 2024

€21,000,000 BOND ISSUANCE PROGRAMME

Tranche Number 1

€12,000,000 5.8% Secured Bonds 2036

of a nominal value of €100 per Bond

Series 1/2024

ISIN: MT0002781202

issued

by

AGORA ESTATES PLC

A public limited liability company registered in Malta

with company registration number C 91408

and registered address at

Agora Business Centre, Ground Floor, Valley Road, Msida MSD 9020, Malta

Part A – Contractual Terms

Capitalised terms used in these Final Terms which are not otherwise herein defined, shall have the definitions assigned to them in the Base Prospectus dated 9 February 2024, which was approved by the MFSA on 9 February 2024, and which constitutes a base prospectus for purposes of the Prospectus Regulation.

The following capitalised terms used in the Final Terms shall have the following meanings:-

'Attard Showroom'	two (2) portions of land numbered four (4) in Triq l-Imdina, Attard, Malta measuring <i>circa</i> five hundred and twenty nine (529) square metres;
'BOV Facility'	the loan facility granted by Bank of Valletta p.l.c. to Zammit Estates on the 14 May 2021 for the sum of three million euro (€3,000,000) for the purpose of financing the acquisition of the Agora Retail Centre, which facility was further extended on 1 June 2023;
'Financial Analysis Summary'	the report drawn up by the Sponsor in terms of the Capital Markets Rules and attached to these Final Terms as Annex 2;
'Loan Agreement'	the loan agreement between the Issuer as lender and Zammit Estates as borrower, wherein the Issuer shall grant on loan, to the Borrower, the sum of up to €9,100,000 for the purposes set out in Part B (4) of these Final Terms under the heading 'Reasons for the offer and use of proceeds, estimated net proceeds and total expenses';
'MeDirect Facilities'	MeDirect Facilities 1 and MeDirect Facility 2;
'MeDirect Facilities 1'	two (2) loan facilities granted by MeDirect Bank (Malta) p.l.c. to Zammit Estates, the first such facility was granted on 7 March 2018 for the sum of one million eight hundred thousand euro (€1,800,000) for the purpose of acquiring the Agora Business Centre, and the second dated 24 January 2020 for the sum of one million five hundred and fifty thousand euro (€1,550,000) for the purpose of financing the conversion of the Agora Business Centre;
'MeDirect Facility 2'	a loan facility granted by MeDirect Bank (Malta) p.l.c. to Zammit Estates dated 30 October 2019 for three million eight hundred thousand euro (€3,800,000) for the purpose of supporting operational requirements in connection with the real estate industry;
'Nominal Value'	€100 per Bond;
'Placement Date'	the date referred to in Part B 5 (ii) of these Final Terms;
'Security Trust Deed' Or 'Trust Deed'	the trust deed dated 12 February 2024 between the Issuer, the Security Provider and the Security Trustee. A copy of this deed is deemed to be incorporated by reference in, and forms part of, the Final Terms;
'Shortfall'	a determination by the Board of Directors that the Company is likely to be unable to service the Bond Obligations when and as they become due and provided that no Event of Default (as defined in the Trust Deed) has yet occurred.

This document constitutes these Final Terms and has been prepared for the purpose of Article 8(4) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus and any Supplement thereto in order to obtain all the relevant information, which is also available on the Issuer's website (www.agora-estates.com.mt). Copies may be obtained free of charge from the registered office of the Issuer. The issue-specific summary, required in terms of Article 8(8) (and drawn up in accordance with Article 7) of the Prospectus Regulation, is being appended to these Final Terms as Annex I.

Information concerning the Bonds

1.	Issuer	Agora Estates p.l.c.
2.	Series number	1
3.	Tranche number	1
4.	Currency of the Bonds	Euro
5.	Aggregate Nominal Amount	
	i. Series	up to €21,000,000 which may be issued in Tranches forming part of this Series 1 or in combination with other Tranches forming part of one or more Series
	ii. Tranche	up to €12,000,000
6.	Total amount of Bonds offered	up to 12,000,000 Bonds at Nominal Value
7.	i. Bond Issue Price	Nominal Value
	ii. Net Proceeds	approximately €11,485,000
8.	Denomination	€100

9.	Issue date	8 March 2024
10.	Maturity Date	1 March 2036
11.	Redemption Price	at par, that is, Nominal Value
12.	Dates of the corporate authorisations	2 October 2023 for issuance of the Bonds

Interest

13.	Rate of Interest	5.8% per annum payable annually in arrears
14.	Interest Payment Date/s	1 March of each year between and including each of the years 2025 and the year 2036, provided that if any such day is not a Business Day, such interest payment date will be carried over to the next following day that is a Business Day
15.	Commencement of Interest	1 March 2024

General Provisions

16.	Taxation	as per section 15 of the Base Prospectus under the heading 'Taxation'
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Part B – Other Information

1. Admission to Listing and Trading

i. Admission to Listing

The Bonds were authorized as admissible to listing in Malta on the Official List of the MSE by virtue of a letter issued by the MFSA dated 9 February 2024.

ii. Admission to trading

Application has been made to the MSE in Malta for the Bonds issued pursuant to the Final Terms to be admitted to trading thereon. The Bonds are expected to be admitted to the MSE with effect from 8 March 2024 and trading is expected to commence on 11 March 2024. Trading in the Bonds shall not commence before the Issuer has been admitted to the Official List of the MSE.

iii. Previous admission to trading

Not applicable

iv. Estimate of total expenses related to admission to trading

€18,000

2. Third Party Information

Save for the Financial Analysis Summary, these Final Terms do not contain any statement or report attributed to any person as an expert.

The Financial Analysis Summary has been prepared by the Sponsor, Jesmond Mizzi Financial Advisors Ltd, a private limited liability company registered under the laws of Malta on the 9 September 2002, with company registration number C 30176, and registered address at 67/3 South Street, Valletta VLT 1105, Malta, and has been included in the form and context in which it appears with the authorisation of the Sponsor, who has given, and has not withdrawn, its consent to the inclusion of the said reports herein. Other than the subscription of the Bonds by the Sponsor and any fees payable to it, the Sponsor does not have any material interest in the Issuer.

The Issuer confirms that the Financial Analysis Summary drawn up by the Sponsor has been accurately reproduced in these Final Terms 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.

3. Interests of natural and legal persons involved in the issue of the Tranche

Save for any commissions payable in connection with the issue of Bonds to Authorised Financial Intermediaries (which include Jesmond Mizzi Financial Advisors Ltd as Sponsor and Bank of Valletta p.l.c. as Manager & Registrar) or the fees payable to the advisers of the Issuer in connection with the offer of the Bonds, so far as the Issuer is aware, no person involved in the Tranche 1 issue has a material interest in it.

4. Reasons for the offer and use of proceeds, estimated net proceeds and total expenses

i. Reasons for the offer and use of proceeds

- a. the amount of up to €3,000,000 shall be granted on loan by the Issuer to Zammit Estates pursuant to the Loan Agreement which shall be used by Zammit Estates to settle the BOV Facility. This sum shall be equal to the amount outstanding and due pursuant to the BOV Facility as at the date of repayment of the BOV Facility (the 'BOV Repayment');

- b. the amount of up to €2,200,000 shall be granted on loan by the Issuer to Zammit Estates pursuant to the Loan Agreement which shall be used by Zammit Estates to settle MeDirect Facilities 1. This sum shall be equal to the amount outstanding and due pursuant to MeDirect Facilities 1 as at the date of repayment of MeDirect Facilities 1 (the "MeDirect 1 Payment");
- c. the amount of up to €3,380,000 shall be used to settle the Private Debt;
- d. the amount of up to €500,000 which shall be granted on loan by the Issuer to Zammit Estates pursuant to the Loan Agreement shall be used by Zammit Estates to cover the refurbishment expenses for the Agora Retail Centre;
- e. the balance amounting to approximately €2,405,000 shall be used by the Issuer as general corporate funding for the Group.

ii. *Estimated total expenses of the issue*

An amount of approximately €515,000 from the proceeds of the Series 1 Tranche 1 Bonds shall be attributable to professional, MSE, regulatory and ancillary fees and selling commission fees, with no particular order of priority between them.

iii. *Estimated net amount of the proceeds* Approximately €11,485,000

5. *Terms and conditions of the offer*

i. *Conditions to which the offer is subject*

The issue and allotment of the Bonds is subject to:

- a. the Bonds being admitted on the Official List.
- b. the Bank Facility being provided and the Security being constituted in favour of the Security Trustee in accordance with the provisions of the Base Prospectus, these Final Terms and the Security Trust Deed.

There is no minimum subscription amount for this Tranche 1.

In the event that condition (a) above is not satisfied by 21 March 2024 and condition (b) above is not satisfied within thirty (30) Business Days from admissibility to listing and trading on the Official List of the MSE, the subscription for the Bonds shall be deemed not to have been accepted by the Issuer, the issue of Bonds shall be cancelled forthwith and any application monies will be returned without interest by direct credit into a Bondholder's bank account.

ii. *Expected Timetable*

Placement Date	27 February 2024
Announcement of Basis of Acceptance	1 March 2024
Commencement of Interest	1 March 2024
Issue Date	8 March 2024
Expected date of admission of the Bonds to listing	8 March 2024
Expected date of commencement of trading of the Bonds	11 March 2024
Expected publication date for the constitution of the Security Interest	29 March 2024

6. *Plan of Distribution and Allotment*

i. *Categories of potential investors*

The Bonds will be available for subscription by all categories of investors subject to a minimum application amount of €5,000 per underlying investor. The Bond Issue has been fully placed with the Authorised Financial Intermediaries.

ii. *Preferred Applicants*

Priority in allocation shall be given to noteholders participating in the Private Debt. The priority in allocation to noteholders participating in the Private Debt shall be limited up to the holding in the Private Debt. Such allocation to noteholders participating in the Private Debt shall be made out of the placement amount attributed under the respective Placement Agreement to the relevant Authorised Financial Intermediary.

iii. *Placement*

The Issuer shall enter into Placement Agreements with each of the Authorised Financial Intermediaries for the placement of a maximum aggregate amount of €12,000,000 in Nominal Value of Bonds.

The subscription obligations of the Authorised Financial Intermediaries under the Placement Agreements will become unconditional on the Authorised Financial Intermediaries upon the conditions set out in the respective Placement Agreement being fulfilled, and the Issuer's obligations thereunder shall be subject to the Issuer having received all subscription proceeds in cleared funds, except where and to the extent that the Applications being received through the relevant Authorised Financial Intermediary relate to the subscription of Bonds in consideration for redemption of notes forming part of the Private Debt, in which case no cash payments will be received and forwarded by the relevant Authorised Financial Intermediary.

In terms of each of the said Placement Agreements, the relevant Authorised Financial Intermediary may subscribe for Bonds for its own account (where applicable) or for the account of underlying customers,

including retail customers, and shall in addition be entitled to either: (i) distribute to the underlying customers any portion of the Bonds subscribed for upon commencement of trading, or (ii) complete a data file representing the amount being allocated in terms of the respective Placement Agreement as provided by the Registrar by latest 27 February 2024 at 12:00 hours.

iv. *Intermediaries Offer*
Not Applicable

v. *Conditions for use of the Base Prospectus by the Authorised Financial Intermediary/ies*
Not Applicable

vi. *Selling commission*
1.50%

7. Yield

- | | | |
|-----|------------------------------------|--|
| i. | <i>Indication of Yield</i> | 5.8% |
| ii. | <i>Method of Calculating Yield</i> | Yield is calculated on the basis of the interest per annum, the Bond Issue Price and the Redemption Value of the Bonds at Maturity Date. |

8. Security

- | | | |
|------|--|---|
| i. | <i>Security Provider</i> | Zammit Estates |
| ii. | <i>Secured Asset(s)</i> | Agora Business Centre and Agora Retail Centre |
| iii. | <i>Security in place (if any) given by the Issuer and/or the Security Provider, and in place at the time of the respective Final Terms</i> | |

The Bank Facility is secured by the Issuer by a general hypothec for €3,000,000 over all assets present and future of the Issuer.

The BOV Facility is secured by the Security Provider as follows:

- general hypothec for €3,000,000 (effectively limited to the outstanding balance of loan) over all assets present and future given by the Security Provider;
- first special hypothec for €3,000,000 and special privilege for €3,000,000 (effectively limited to the outstanding balance of loan) given by the Security Provider over Agora Retail Centre; and
- pledge on comprehensive insurance policy over hypothecated property; (the "BOV Security")

The MeDirect Facilities 1 is secured by the Security Provider as follows:

- general hypothec for €1,800,000 (effectively limited to the outstanding balance of loan) over all assets present and future given by the Security Provider;
- first special hypothec for €1,800,000 (effectively limited to the outstanding balance of loan) given by the Security Provider over Agora Business Centre;
- first special privilege (maximum permitted at law) over the Agora Business Centre;
- pledge on building insurance policy over hypothecated property;
- general hypothec for €1,550,000 (effectively limited to the outstanding balance of loan) over all assets present and future given by the Security Provider;
- second special hypothec for €1,550,000 (effectively limited to the outstanding balance of loan) given by the Security Provider over Agora Business Centre;
- special privilege (maximum permitted at law) over the Agora Business Centre; and
- pledge on building insurance policy over hypothecated property. (the "MeDirect 1 Security")

The MeDirect Facility 2 is secured by the Security Provider as follows:

- general hypothec for €3,800,000 (effectively limited to the outstanding balance of loan) over all assets present and future given by the Security Provider;
- first special hypothec for €3,800,000 (effectively limited to the outstanding balance of loan) given by the Security Provider over the Marsa Showroom and the Attard Showroom; and
- pledge on building insurance policy over hypothecated property; (the "MeDirect 2 Security")
- Security to be provided by a Security Provider to secure the Bond Obligations in respect of a Tranche*

As a result of the Security Provider settling the BOV Repayment and the MeDirect 1 Repayment, the BOV Security and the MeDirect 1 Security will be cancelled. Following the cancellation, the following Security Interest will be constituted by the Security Provider, in favour of the Security Trustee to secure, the Bond Obligations:

- a first ranking special hypothec over the Agora Business Centre; and
- a first ranking special hypothec over the Agora Retail Centre.

Bondholders should note that the security provided by the Security Provider is limited solely to the properties making up the Security Interest and does not extend to any other assets of the Security Provider.

Any insurance policies over the Security Interests are not being pledged in favour of the Security Trustee.

The current market value as at date of these Final Terms of the Secured Assets (as set out in the Valuation Report dated 31 December 2023 prepared by the Architect) amounts to approximately 123% of the aggregate nominal value of the Bonds (should the maximum aggregate principal amount of the Bonds being offered pursuant to these Final Terms actually be issued in full).

Copies of the Hypothecs over the Secured Assets can be viewed on the Issuer's website at www.agora-estates.com.

v. *Constitution of Security and Release of Bond Proceeds*

Following the issue, allotment and listing of the Bonds, all the net proceeds from the Bond Issue shall be released by the Registrar to the Security Trustee who will keep such net proceeds for the benefit of the Bondholders until release in accordance with the Trust Deed and in accordance with the use of proceeds better explained in Part B (4) of these Final Terms. Part of the net Bond proceeds to be allocated to the BOV Repayment, the MeDirect 1 Repayment and payment of the Private Debt referred to in Part B(4) above shall, as outlined in the Security Trust Deed, be released by the Security Trustee on condition that simultaneous to the payment of the BOV Repayment and the MeDirect 1 Repayment, there is the publication (but not registration) of the necessary notarial deeds for the cancellation of the existing charges over the Secured Assets, and the simultaneous publication (but not registration) of the deeds of Hypothec with respect to the Secured Assets.

It is anticipated that registration of the aforementioned deeds of Hypothecs over the Secured Assets will be made within seven (7) calendar days following publication.

In relation to the Security Interest, the Security Trustee shall appear on each notarial deed to effect payment and to obtain, if possible and where relevant, subrogation into the rights of Bank of Valletta p.l.c. and/or MeDirect Bank (Malta) p.l.c. as applicable over the Security Interest. The Security Trustee will have the benefit of a first ranking special hypothec over the Secured Assets for a minimum of 123% of the Nominal Value of the Bonds. Following the publication and registration of the deeds of Hypothecs over the Secured Assets in favour of the Security Trustee, the Security Trustee shall release the remainder of the Bond proceeds to the Issuer, save for such amounts as it is authorised to retain in terms of the Trust Deed.

vi. *Ranking of the Bonds*

Save as otherwise provided, the Bonds constitute the general, direct, unconditional and secured obligations of the Issuer, secured by the Security Provider, and shall at all times rank *pari passu*, without any priority or preference, among themselves.

With respect to the Issuer, a general hypothec for €3,000,000 over all assets present and future has been granted in order to secure the Bank Facility. Moreover, third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer for so long as such security interests remain in effect.

Insofar as concerns the Security Provider, Bondholders should note that the privileges and hypothecary rights in favour of MeDirect Bank (Malta) p.l.c., which make up the MeDirect 2 Security, will remain in place following the Bond Issue. Moreover, as at the date of these Final Terms, the Security Provider has agreements in place with respect to privileged creditors amounting to circa €200,000.

In an event of competing creditors:-

- a. with respect to the assets of the Issuer all unsecured creditors (including the Bondholders) will rank *pari passu*, and after preferred creditors (which will include Bank of Valletta p.l.c. in respect of the general hypothec for €3,000,000 over all assets present and future in respect to the Bank Facility); and
- b. with respect to the assets of the Security Provider, the Bondholders will have first ranking special hypothecs over the Secured Assets provided by the Security Provider in preference to the ranking of any unsecured and secured creditors of the Security Provider (save for any prior ranking privileges or security which arise by operation of law).

vii. *Other*

The Issuer and the Security Provider have entered into a Security Trust Deed with the Security Trustee which *inter alia* sets out the terms and conditions of (a) the Security and the rights and interests thereon, and (b) the rights and benefits enjoyed by the Security Trustee for the benefit of the Bondholders under the Security Trust Deed. By acquiring Bonds, a Bondholder shall be bound by the terms and conditions of the Trust Deed as if he/she/it had been a party to it and as if the Trust Deed contained covenants on the part of each Bondholder to observe and be bound by all the provisions thereof.

Bondholders are invited to review the Trust Deed. Without being exhaustive, provisions in the Security Trust

Deed include amongst others:

a. *Maintenance of Secured Assets*

The Security Provider has undertaken not to give any further charges over a relevant Secured Asset even if these rank after those registered in favour of the Security Trustee for the benefit of the Bondholders.

b. *Enforcement*

The Security Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer and/or Security Provider as it may think fit, to:

- i enforce the provisions of the Security Trust Deed, the Base Prospectus, these Final Terms and the Security; and
- ii at any time after a Security has become enforceable, take action to enforce that Security.

In the event that the Security Trustee enforces the Security it shall use the proceeds to first settle any amounts outstanding in its favour pursuant to the Security Trust Deed by way of costs and expenses. It will then settle expenses incurred by it in enforcing the Security pursuant to the Security Trust Deed. It will then pay outstanding interests and the principal amount of the Bonds. Any surplus shall be paid to the Issuer or other person entitled to it.

c. *Release, substitution, sale of a Secured Asset*

Upon request of the Issuer, the Security Trustee may release and discharge a Hypothec over a Secured Asset (the "Discharged Security") under any of the following conditions:

Condition A

Following a revaluation of the Secured Assets, their value (excluding the value of the Discharged Security) shall be at least at 123% of the value of the outstanding Bonds in Tranche 1.

Condition B

(a) A special hypothec over an alternative property (the "Alternative Security") is given in favour of the Security Trustee for the benefit of the Bondholders in accordance with all and any terms and conditions for the creation and maintenance of a Security as set out in the Base Prospectus, the Final Terms and the Security Trust Deed; (b) the grantor of such Alternative Security agrees to be bound by the Base Prospectus, these Final Terms and the Security Trust Deed, and to enter into such deeds for the purpose of binding itself to the above, and constituting the Security; and (c) the value of the Secured Assets (excluding the value of the Discharged Security but including the value of the Alternative Security) is at least at 123% of the value of the outstanding Bonds in Tranche 1.

Condition C

(a) Such release and discharge is pursuant to a sale of the Discharged Security, the proceeds of which are either deposited with the Security Trustee to form part of the Security or are used by the Issuer to acquire Bonds on the open market pursuant to the Base Prospectus under the heading 'Redemption and Cancellation'; and (b) the value of the Secured Assets (excluding the Discharged Security) together with such proceeds from the sale of the Discharged Security that are deposited with the Security Trustee shall be at least at 123% of the value of the outstanding Bonds in Tranche 1. The establishment of the value of a relevant property for the purposes abovementioned shall be determined by an independent architect whose valuation shall be deemed conclusive. The Security Trustee shall be entitled to rely solely on such valuation without incurring any liability for so relying.

d. *Bank Facility and Shortfall Mechanism*

The Issuer has procured a Bank Facility to utilize in the event it requires additional liquidity in case of a Shortfall. In that case, it shall, acting through its Directors, call upon the Security Trustee as beneficiary of the Bank Facility to demand payment thereof (in whole or in part as may be necessary). Funds deriving from the Bank Facility shall be used by the Issuer to service the Bonds as needed. Bondholders should note the Shortfall mechanism (through which such call upon the Security Trustee is made) as better explained in Article 5A of the Trust Deed.

e. *Fees paid to the Security Trustee*

The Security Trustee shall be paid such remuneration for the provision of services pursuant to the Security Trust Deed as shall be agreed to with the Issuer.

9. *Additional Information*

- i. *Reservation of a Tranche, or part thereof, in favour of specific retail and/or non-retail investors or categories of either*
Refer to Part B(6)(ii) above.
- ii. *Time period, including any possible amendments, during which the offer will be open*
Not applicable
- iii. *Arrangements for publication of final size of issue/offer*
Not applicable

- iv. *Description of the application process*
The Series 1 Tranche 1 Bonds shall be subscribed to in its entirety by Authorised Financial Intermediaries pursuant to Placement Agreements.
- v. *Details of the minimum/maximum amount of application (whether in numbers of securities or aggregate amount to invest)*
All Applications are subject to a minimum subscription amount of €5,000 in Nominal Value of Bonds and in multiples of €100 thereafter. Authorised Financial Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €5,000 to each underlying client.
- vi. *Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants*
Not applicable
- vii. *Method and time limits for paying up the securities and for delivery of the securities*
Authorised Financial Intermediaries which enter into Placement Agreements with the Issuer will be required to effect payment to the Issuer for the Bonds subscribed to, except such part thereof being subscribed in consideration for redemption of notes issued pursuant to the Private Debt, by not later than the Placement Date.
- viii. *Full description of the manner and date in which results of the offer are to be made to public*
Through an announcement to be uploaded on the Issuer's website, namely www.agora-estates.com. The Issuer shall also replicate the results of the Bond issue through a company announcement upon the admission of the Bonds to listing on the Official List of the MSE.
- ix. *Procedure for the exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised*
Not applicable
- x. *Indication of the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure*
Not applicable
- xi. *Amount of any expenses and taxes specifically charged to the subscriber*
Not applicable
- xii. *Process for notification to applicants of the amount of Bonds allotted and indication whether dealing may begin before notification is made*
An allotment letter will be dispatched by the Issuer on or around 8 March 2024. It is expected that a registration advice will be made available to Applicants by the CSD shortly after listing of the Bonds.

Dealing in the Bonds may commence prior to said notifications.

PART C – PURPOSE OF FINAL TERMS

These Final Terms comprise the Final Terms required for the offer for subscription, issue and admission to trading on the Official List of Tranche 1 pursuant to the Bonds Issuance Programme of a maximum of €21,000,000 of the Issuer dated 9 February 2024.

PART D RESPONSIBILITY

The Issuer accepts responsibility for the information contained in the Final Terms.

Signed by



James Zammit



Joseph Schembri



Silvio Mifsud



Audrey-Anne Hughes



Isabella Vella

Annex 1

Issue Specific Summary

This summary (the 'Summary') is issued pursuant to the Prospectus Regulation. Unless otherwise stated, capitalised terms shall have the meanings assigned to them in the Base Prospectus under the heading 'Definitions' and in these Final Terms.

1 Introduction and Warnings

The International Securities identification Number of the Bonds is MT0002781202.

The Issuer is Agora Estates p.l.c., company registration number C 91408, with registered office at Agora Business Centre, Ground Floor, Valley Road, Msida MSD 9020, Malta and legal entity identifier 254900PHXYIY2GIITE65. It can be reached on (+356) 2777 9200 or info@agora-estates.com. Its website is www.agora-estates.com.

The Prospectus has been approved by the MFSA of Triq l-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta on the 9 February 2024. It can be reached on (+356) 2144 1155. Its website is www.mfsa.mt. The MFSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Issuer or the Bonds.

Investors are warned that:

- i. this Summary should be read as an introduction to the Base Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the Bonds being offered pursuant to the Base Prospectus and these Final Terms. 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 the Base Prospectus and Final Terms;
- ii. prospective investors should base a decision to invest in the Bonds on the Base Prospectus and Final Terms as a whole;
- iii. a prospective investor could lose all or part of the capital invested in the Bonds;
- iv. should a prospective investor file a claim before a court of law in relation to the information contained in the Base Prospectus, he/she might, under national law, have to bear the costs of translating the Base Prospectus before legal proceedings have initiated;
- v. civil liability attaches only to those persons who have tabled this Summary including translations thereof, but only where the Summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Base Prospectus, or where it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid prospective investors when considering whether to invest in the Bonds.

2 Key Information on the Issuer

2.1 Who is the Issuer of the Securities?

The Issuer is Agora Estates plc, a public limited liability company registered under the laws of Malta on the 9 April 2019, with company registration number C 91408 and registered address at Agora Business Centre, Ground Floor, Valley Road, Msida MSD 9020, Malta, domiciled in Malta bearing legal entity identifier number 254900PHXYIY2GIITE65.

The Issuer was set up with the primary aim of investing in group companies whilst providing them relevant finance for their business activities. The Group primarily invests in immovable property for re-sale or investment purposes.

The Issuer is owned by Zammit Holdings, save for two (2) shares which are owned by James Zammit personally, ultimate beneficial owner of Zammit Holdings, and therefore also of the Issuer.

The Issuer being a holding company does not have key managing directors. It is currently managed by five directors, namely:

Joseph Schembri	Independent non-executive director and Chairman
Audrey-Anne Hughes	Executive Director
Silvio Mifsud	Independent non-executive director
James Zammit	Executive Director
Isabella Vella	Independent non-executive director

The current auditor of the Issuer is Equis Assurance Limited, a firm of certified public accountants holding a practicing certificate to act as auditors (registration number AB/2/21/14) in terms of the Accountancy Profession Act (Chapter 281 of the laws of Malta).

2.2 What is the Key Financial Information regarding the Issuer?

The Company's historical audited financial statements for the years ended 31 December 2020, 2021 and 2022 are available on the Malta Business Registry website and at the registered office of the Company. The audit reports of these three financial years do not contain any qualification, modification of opinion, disclaimers or emphasis of matter.

There has been no significant change in the financial position of the Company since 31 December 2022, except for the issue of Private Debt.

Key figures extracted from the Issuer's consolidated financial statements are presented below:

€000	Dec-20 Audited	Dec-21 Audited	Dec-22 Audited	Jun-22 Unaudited	Jun-23 Unaudited
Consolidated income statement					
Revenue	2,398	1,449	5,151	765	363
Operating profit	932	382	545	90	94
Profit/ (loss) for the year/period	632	4,707	2,704	93	(34)
Consolidated statement of financial position					
Total assets	37,236	44,617	50,428	48,880	52,607
Total equity	18,048	23,635	26,339	23,728	26,305
Total liabilities	19,188	20,982	24,089	25,151	26,301
Consolidated statement of cash flows					
Net cash generated from/ (used in) operating activities	3,132	1,699	476	(369)	354
Net cash used in investing activities	(1,896)	(1,323)	(6,899)	(4,843)	(1,363)
Net cash generated from/ (used in) financing activities	(828)	(454)	5,784	4,693	1,188

2.3 What are the Key Risks that are Specific to the Issuer?

- i. The Issuer is a holding company and financing arm for the Group, having previously raised funds through the Private Debt. As such, it does not conduct its operative business itself but does so through the operations of the Group. In order to service the Bonds, the Property Companies need to continue to achieve positive cash flows from operating activities.
- ii. The commercial success of the Group depends significantly on its ability to retain high occupancy rates, reducing operating costs whilst increasing rent levels.
- iii. The decision to acquire properties is based on the expected rental income from the respective properties, which in turn is based on existing or potential tenants, credit profile of such tenants, market demand for such properties and future supply of competing properties, amongst other factors. Nevertheless, such expectations may not be realised and could negatively affect the Group's financial condition and performance.
- iv. From time to time the Group undertakes the development of new properties for its property portfolio. Development projects are subject to a number of risks that may result in the costs exceeding those foreseen or the delivery of the project being delayed. Such risks may negatively impact the financial performance of the Group due to higher costs incurred and/or delay in the generation of rental income.
- v. Property values are affected by and may fluctuate, *inter alia*, as a result of changing demand, changes in general economic conditions, changing supply within a particular area of competing space and attractiveness of real estate relative to other investment choices. The value of the Group's property portfolio may also fluctuate because of other factors outside the Group's control, such as changes in regulatory requirements and applicable laws (including in relation to taxation and planning), political conditions, the condition of financial markets, potentially adverse tax consequences, interest and inflation rate fluctuations and higher accounting and control expenses.
- vi. The Group including the Issuer may undertake further indebtedness and accordingly provide security which will rank prior to the Bonds. In the event of liquidation or similar proceeding the Group may be forced to sell property at less favourable conditions which will lead the Group to have less funds. Creditors will be paid according to their ranking, and to the extent these rank prior to the Bonds, will be paid in priority. The Issuer may also provide security for other indebtedness which will rank prior to the Bonds.
- vii. In the event the Bank Facility is not extended or is terminated by the respective credit institution at any time prior to settlement of the Bond Obligations and Issuer fails to replace same, the Issuer shall be in default with the risk that it will be unable to satisfy payment obligations under the Bonds.

3 Key Information on the Bonds

3.1 What are the Main Features of the Bonds?

Pursuant to the Final Terms, the Bonds are being issued in an aggregate amount of €12,000,000 with a nominal value of €100 per Bond. The Bonds shall be registered in dematerialised and uncertificated form by the appropriate entry in the CSD Register. A Bondholder will have the right to (i) be paid interest as provided for in the Final Terms and be repaid the principal at the Redemption Price; (ii) attend, participate in and vote at meetings of Bondholders in accordance with the terms and conditions of the Base Prospectus and applicable Final Terms; and (iii) enjoy all such other rights as emanate pursuant to the Base Prospectus and the Final Terms.

The ISIN of the Bonds is MT0002781202. The Bonds will be issued at the Bond Issue Price which is the Nominal Value. Unless previously redeemed or cancelled, Bonds shall be redeemed on the Maturity Date at the Redemption Price. Each Bond shall bear interest at the rate of 5.8% per annum from (and including) the 1 March 2024 up to (but excluding) the Maturity Date. Interest shall be payable in arrears in euro on each Interest Payment Date and on Maturity Date. The first payment of interest shall be made on 1 March 2025.

Save as otherwise provided, the Bonds constitute the general, direct and unconditional obligations of the Issuer, secured by Zammit Estates, and shall at all times rank *pari passu*, without any priority or preference amongst

themselves. Third party security interests may be registered by the Issuer which will rank in priority to the Bonds against the assets of the Issuer for as long as such security interests remain in effect. The Issuer has granted a general hypothec for €3,000,000 over all assets present and future to Bank of Valletta plc to secure the Bank Facility, which will rank prior to the Bonds.

The Bonds are freely transferable and have been created in accordance with Maltese Law.

3.2 *Where will the Bonds be Traded?*

Application has been made to list and trade the Bonds on the Official List of the MSE.

3.3 *What are the Key Risks Specific to the Bonds?*

- a. Whilst the Bond Obligations are secured by the Security Interest, realisation of the Security Interest may not cover the full amount of interest and principal outstanding under the Bonds. There can be no guarantee that privileges accorded by law in specific situations, or priority or preference given by the Issuer and/or a Security Provider to preferred creditors will not arise during the course of the business of each of the Issuer and the Security Provider which may rank with priority or preference to the Bonds;
- b. The development of the market price of the Bonds will depend on various factors, including but not limited to changes of market interest rate levels, overall economic developments, inflation rates, the lack of demand for the Bonds, etc. Bondholders are therefore exposed to the risk of an unfavourable development of the market price of their Bonds and may be exposed to the risk of a lower yield than expected, if they sell the Bonds prior to Maturity Date.
- c. The Bonds have a fixed rate of return which carries the risk that the prices of the Bonds can fall as a result of changes in the interest rate on the market. If the market interest rate increases, the price of a security with a fixed rate of return typically falls until the yield of such security approximately equals the market interest rate. If the market interest rate decreases, the price of a fixed rate of return security typically increases, until the yield of such security is approximately equal to the market interest rate.
- d. A liquid market for the Bonds may not develop, or if it does, it may not continue. Application has been made to the MSE and to trading on its regulated market. The fact that the Bonds are listed will not necessarily lead to greater liquidity. In an illiquid market, an investor is subject to the risk that it will not be able to sell the Bonds at any time at fair market prices.

4 **Key Information on the Offer of the Bonds to the Public and/or the Admission to Trading on a Regulated Market**

4.1 *Under which Conditions and Timetable can I Invest in this Bond?*

- *General Terms*

Each Bond forms part of an issue of 5.8% secured bonds 2036 issued by the Issuer at par up to €12,000,000.

The Bond Issue Price is set at the Nominal Value per Bond. The Minimum Amount that may be invested is of €5,000 in Nominal Value of the Bonds and in multiples of €100 thereafter.

The Bonds are available for subscription by Authorised Financial Intermediaries pursuant to Placement Agreements who may subscribe for Bonds either for their own account or on behalf of their underlying clients. The Bond Issue has been fully placed with the Authorised Financial Intermediaries.

The Bonds are redeemable at the Redemption Price.

- *Conditions*

The issue and allotment of the Bonds is subject to:-

- i. the admittance of the Bonds to the Official List of the MSE;
- ii. the Bank Facility being provided and the Security being constituted in favour of the Security Trustee in accordance with the provisions of the Base Prospectus, the Final Terms and the Security Trust Deed.

In the event that: (a) the conditions pursuant to (i) above is not satisfied by 21 March 2024 and (b) the condition pursuant to (ii) above is not satisfied within thirty (30) Business Days from admissibility to listing and trading on the Official List of the MSE, the issue of Bonds shall be cancelled forthwith and any application monies will be returned without interest by direct credit into a Bondholder's bank account.

- *Expected Timetable*

Placement Date	27 February 2024
Announcement of Basis of Acceptance	1 March 2024
Commencement of Interest	1 March 2024
Issue Date	8 March 2024
Expected date of admission of the Bonds to listing	8 March 2024
Expected date of commencement of trading of the Bonds	11 March 2024
Expected publication date for the constitution of the Security Interest	29 March 2024

- *Plan of Distribution*

i. *Preferred Applicants*

Priority in allocation shall be given to noteholders participating in the Private Debt. The priority in allocation to noteholders participating in the Private Debt shall be limited up to the holding in the Private Debt. Such allocation to noteholders participating in the Private Debt shall be made out of the placement amount attributed under the respective Placement Agreement to the relevant Authorised Financial Intermediary.

ii. *Placement*

The Issuer shall enter into Placement Agreements with each of the Authorised Financial Intermediaries for the placement of a maximum aggregate amount of €12,000,000 in Nominal Value of Bonds.

The subscription obligations of the Authorised Financial Intermediaries under the Placement Agreements will become unconditional on the Authorised Financial Intermediaries upon the conditions set out in the respective Placement Agreement being fulfilled, and the Issuer's obligations thereunder shall be subject to the Issuer having received all subscription proceeds in cleared funds, except where and to the extent that the Applications being received through the relevant Authorised Financial Intermediary relate to the subscription of Bonds in consideration for redemption of notes forming part of the Private Debt, in which case no cash payments will be received and forwarded by the relevant Authorised Financial Intermediary.

In terms of each of the said Placement Agreements, the relevant Authorised Financial Intermediary may subscribe for Bonds for its own account (where applicable) or for the account of underlying customers, including retail customers, and shall in addition be entitled to either: (i) distribute to the underlying customers any portion of the Bonds subscribed for upon commencement of trading, or (ii) complete a data file representing the amount being allocated in terms of the respective Placement Agreement as provided by the Registrar by latest 27 February 2024 at 12:00 hours.

Authorised Financial Intermediaries which enter into Placement Agreements with the Issuer will be required to effect payment to the Issuer for the Bonds subscribed to, except such part thereof being subscribed in consideration for redemption of notes issued pursuant to the Private Debt, by not later than the Placement Date.

- *Admission to Trading*

Application has been made for the Bonds to be listed and traded on the Official List of the MSE. Trading in the Bonds shall not commence before the Issuer has been admitted to the Official List of the MSE.

- *Expenses*

Five hundred and fifteen thousand euro (€515,000) of the proceeds of the issue of the Bonds are expected to be paid out as professional fees and other costs related to printing, management, registrar fees, commissions and other miscellaneous expenses in connection with the issue of the Tranche 1.

4.2 *Why is the Prospectus being Produced?*

The Issuer has produced and published the Base Prospectus in satisfaction of the Capital Markets Rules and Prospectus Regulation applicable to bond issues and their admission to trading on the Official List of the MSE.

- *Use of the Bond Proceeds*

The proceeds from the Issue of Tranche 1, net of expenses incurred in issuing the Tranche 1, will be used for the following purposes:-

- a. the amount of up to €3,000,000 shall be granted on loan by the Issuer to Zammit Estates pursuant to the Loan Agreement which shall be used by Zammit Estates to settle the BOV Facility. This sum shall be equal to the amount outstanding and due pursuant to the BOV Facility as at the date of repayment of the BOV Facility (the "BOV Repayment");
- b. the amount of up to €2,200,000 shall be granted on loan by the Issuer to Zammit Estates pursuant to the Loan Agreement which shall be used to settle MeDirect Facilities 1. This sum shall be equal to the amount outstanding and due pursuant to MeDirect Facilities 1 as at the date of repayment of MeDirect Facilities 1 (the "MeDirect 1 Payment");
- c. the amount of up to €3,380,000 shall be used to settle the Private Debt;
- d. the amount of up to €500,000 which shall be granted on loan by the Issuer to Zammit Estates pursuant to the Loan Agreement shall be used by Zammit Estates to cover the refurbishment expenses for the Agora Retail Centre;
- e. the balance amounting to approximately €2,405,000 shall be used by the Issuer as general corporate funding for the Group.

- *Underwriting*

The Bond Issue is not underwritten.

- *Material Conflicts*

Save for any commissions payable in connection with the issuance of Tranche 1 to Authorised Financial Intermediaries (which includes Jesmond Mizzi Financial Advisors Ltd as Sponsor and Bank of Valletta p.l.c. as Manager & Registrar), or the fees payable to the advisers of the Issuer in connection with the offer of the Bonds, so far as the Issuer is aware, no person involved in the issuance of the Tranche 1 has a material interest in it.



The Directors
Agora Estates p.l.c.
Agora Business Centre,
Ground Floor, Valley Road,
Msida MSD 9020,
Malta

12 February 2024

Dear Sirs,

Financial Analysis Summary

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 Agora Estates p.l.c. (the “**Issuer**”) as explained in part 1 of the Analysis. The data is derived from various sources or is based on our own computations as follows:

- (a) Historical financial data for the three years ended 31 December 2020, 31 December 2021 and 31 December 2022 has been extracted from the Issuer’s audited statutory financial statements.
- (b) The forecast data for the financial years ending 2024 has been provided by management.
- (c) Our commentary on the Issuer’s results and financial position is based on the explanations set out by the Issuer in the Prospectus.
- (d) The ratios quoted have been computed by us applying the definitions stated in the tables.
- (e) The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the web sites of the companies concerned, or financial statements filed with the Registrar of Companies or websites providing financial data.

The Analysis is meant to assist potential investors by summarising the more important financial data set out in the Prospectus. The Analysis does not contain all data that is relevant to potential investors and is meant to complement, and not replace, the contents of the full Prospectus. The Analysis does not constitute an endorsement by our firm of the proposed bond issue and should not be interpreted as a recommendation to invest in the Issuer’s securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. Potential investors are encouraged to seek professional advice before investing in the Issuer’s securities.

Yours Sincerely,



Mark Camilleri
Corporate Services Manager



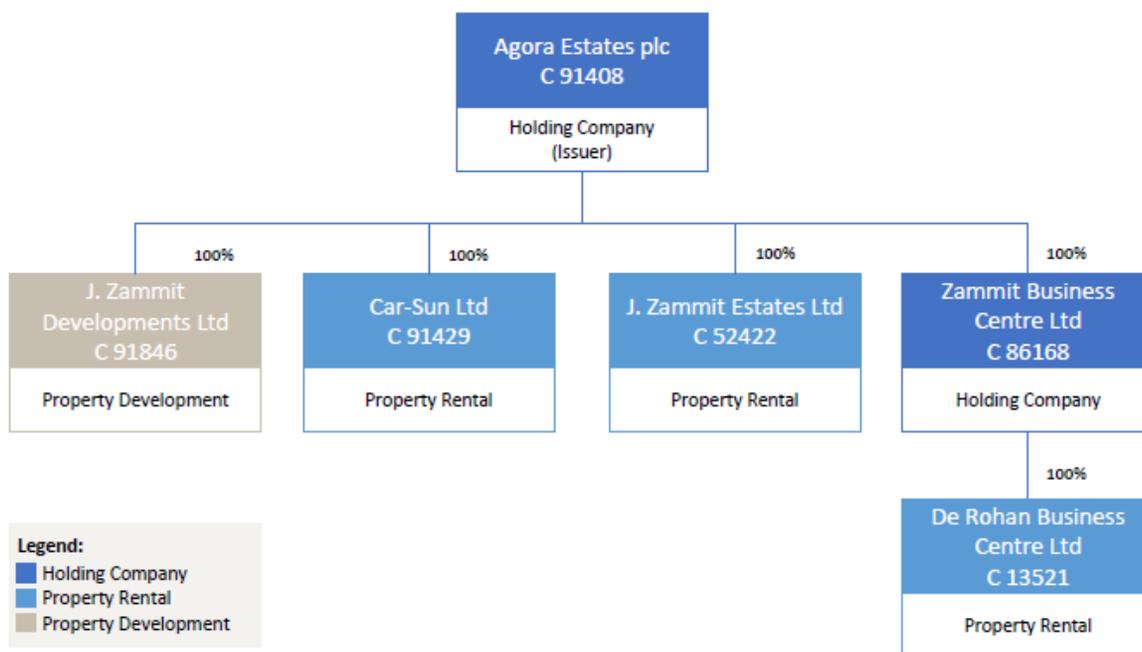
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Part 1 - Brief Overview of the business

1.1 Issuer’s Key Activities and Structure

The structure of the Group:



Agora Estates plc (the “Issuer”, or the “Company”, or “Agora Estates”) is a public limited liability company registered under the laws of Malta on 9 April 2019, with company registration number C 91408. The Issuer is domiciled in Malta, having its registered office at Agora Business Centre, Ground Floor, Msida Valley Road, Msida, MSD 9020. The Issuer was set up with the primary aim of investing in group companies, whilst providing them with relevant funds to finance their business activities. The Issuer has the power to raise monies for said purpose, including through the issuance of bonds. The principal object of the Issuer is to carry on the business of a finance and investment company in connection with the ownership, development, operations and financing of the business activities of group companies or associated companies, whether in Malta or overseas, and for such purpose can:

- lend or advance money or otherwise give credit to any company now or hereinafter forming part of the same group of companies as the Company or an associated company, with or without security and otherwise on such terms as the Directors may deem expedient; and
- invest and deal with the monies of the Company and any company now or hereinafter forming part of the same group of companies as the Company or an associated company in or upon such investments and in such manner as the Directors may, from time to time, deem expedient.

Agora Estates plc and its subsidiaries’ (together referred to as the “Group”) principal activities include the identification, acquisition and development of immovable residential and commercial properties. The Group, owns a portfolio of ten commercial properties and one residential property for rental investment and capital appreciation. The Group also develops properties for resale and is presently developing a site in Iklin into a basement garage, ground-floor showroom, first-floor offices, 6 apartments and a penthouse on the second, third and fourth floors. Commercial property held in the portfolio mainly comprises retail outlets in the lower floors and office spaces on the upper floors, typically leased out to third-party tenants. The Group’s total property portfolio was valued at c. €43.6 million as at 31 December 2022.

1.2 Directors and Key Employees

Name	Office Designation
Joseph Schembri	Independent non-executive director and chairman
Audrey-Anne Hughes	Executive Director
Silvio Mifsud	Independent non-executive director
James Zammit	Executive Director
Isabella Vella	Independent non-executive director

1.3 Major Assets owned by the Group.

The Group, primarily through its Property Companies, possesses a portfolio comprising ten commercial and one residential property. These assets are held to generate rental income and to appreciate in value. Positioned strategically in Malta's central area, the portfolio includes a variety of showrooms and offices. Some properties are already rented out, while others are in the process of development or renovation for future rental.

Agora Business Centre

The most significant property under lease is the Agora Business Centre, purchased by J. Zammit Estates Ltd ('Zammit Estates') on March 7, 2018. This property features ground floor offices and a cafeteria, a car park on the first floor, and three additional levels dedicated to office space. Excluding a section of the ground floor used by the Issuer and an affiliated company, and a newly finished penthouse, the remainder of the Agora Business Centre is rented out under ten-year lease agreements with third parties initiated by Zammit Estates. These contracts have an initial five-year non-terminable period, after which tenants have the annual option to terminate post the initial five-year term. Zammit Estates is responsible for major structural repairs, while tenants cover routine maintenance and repairs.

Agora Retail Centre

Acquired by Zammit Estates on February 15, 2022, the Agora Retail Centre is prominently located at a corner on Mdina Road, Zebbug, Malta. It includes three floors of retail space, a semi-basement suitable for warehousing, and two subterranean levels for parking or additional warehousing, accessible from Triq is-Snajja, Zebbug. Currently, it is fully leased to third parties on average under ten-year leases, with the first five years being *di fermo*, during which termination is not possible. The following five years are on the *di rispetto* basis whereby the tenants have the annual option to not renew. Structural repairs fall under Zammit Estates responsibility, while tenants handle all standard maintenance and repairs.

De Rohan Business Centre

Acquired on a temporary emphyteusis for 150 years on July 1, 1996, with a revisable €43 annual ground rent every twenty-five years, the De Rohan Business Centre currently stands as an excavated site. An application (PA 452/23) to renew and amend the previous planning permit (PA 1017/09) has been submitted, aiming to transform the site into a commercial hub with underground parking, a ground floor showroom, and class 4A offices above. This application includes requests for an additional basement parking level and a receded office level, which are still under review. Development is anticipated between 2024 and 2026, with the intention to lease the space to third parties upon completion.

Aries House

Aries House includes a showroom on the ground floor, parking levels over two basement levels including an area for VRT testing, and office spaces on the first and a receded second floor. Additional office space is being constructed by Car-Sun a property company of the group on the receded second floor. Currently, except for a 235 sqm space on the first floor and a 350 sqm area in the lower basement, Aries House is entirely leased under ten-year agreements, with the first five years being *di fermo*, during which termination is not possible. The following five years are on the *di rispetto* basis whereby the tenants have the annual option to not renew. Part of the first floor and the receded second floor are used by entities associated with the Issuer.

Marsa Showroom

Zammit Estates acquired the Marsa Showroom on June 22, 2017. It consists of a basement, ground floor, and an intermediate level, fully leased to a single tenant under a ten-year lease with the first five years being *di fermo*, during which termination is not possible. The following five years are on the *di rispetto* basis whereby the tenants have the annual option to not renew. The premises serve as a showroom for vehicles and boats, including an ancillary service station, with Zammit Estates responsible for repairs and the tenant for routine maintenance and repairs.

Ta' Qenc Property

Owned by Zammit Estates, the Ta' Qenc Property includes three levels of basement parking, a ground-level warehouse (Class 6A), and intermediate level offices (Class 4A). It is leased to a single tenant under a ten-year agreement with the first five years being *di fermo*, during which termination is not possible. The following five years are on the *di rispetto* basis whereby the tenants have the annual option to not renew.

1.4 Operational Developments

The group is currently focused on consolidating the operations of the group. It remains focused on identifying projects that would further drive growth and profitability.

Part 2 – Historical Performance and Forecasts

2.1 Group's Consolidated Statement of Comprehensive Income

	FY2020 Audited (€'000)	FY2021 Audited (€'000)	FY2022 Audited (€'000)	FY2023 Forecast (€'000)	FY2024 Projection (€'000)
Revenue	2,398	1,449	5,151	1,023	3,193
Sale of properties	1,850	685	4,452	200	1,765
Consideration upon assignment of POSA	-	270	-	-	-
Rental revenue	548	381	531	823	1,428
Construction works	-	113	168	-	-
Cost of sales	(1,174)	(593)	(4,042)	(202)	(1,321)
Gross profit	1,224	856	1,110	821	1,872
Administrative expenses	(276)	(448)	(538)	(556)	(616)
EBITDA	948	407	572	264	1,256
Depreciation	(15)	(24)	(24)	(8)	(8)
Amortisation	(1)	(2)	(3)	(19)	(68)
EBIT	932	382	545	237	1,179
Investment income	0	0	86	-	-
Finance costs	(40)	(83)	(188)	(993)	(974)
Other income	81	40	46	53	-
Fair value gain on investment property	(9)	6,384	3,000	1,578	-
Waiver of payable balances	-	-	187	285	-
Waiver of receivable balances	-	-	(70)	-	-
Profit before tax	965	6,723	3,605	1,160	204
Tax expense	(332)	(2,016)	(902)	69	(157)
Profit after tax	632	4,707	2,704	1,229	48

Key Performance Indicators	FY2020A	FY2021A	FY2022A	FY2023F	FY2024P
Revenue growth (YoY Revenue Growth)	N/A	-39.57%	255.49%	-80.14%	212.12%
Gross profit margin	51.04%	59.08%	21.55%	80.25%	58.63%
EBITDA margin	39.53%	28.09%	11.10%	25.81%	39.34%
Net profit margin	26.36%	324.84%	52.49%	120.14%	1.50%
Interest Cover	N/A	N/A	N/A	N/A	1.805

Commentary

The Group has experienced a healthy growth in rental revenue albeit a dip experience in FY2021. This trend is expected to continue in line with anticipated economic growth. It is anticipated that the rental revenue will see an annual uptick of 2% -3% unless the lease specifies otherwise. Upon the conclusion of the existing leases, it is expected that rental revenue will grow annually by 3%. The forecasted increase in rental income from €0.5m in FY2020 to €0.8m in FY2023 is largely attributed to the initiation of leasing activities at the Agora Retail Centre and Tal-Qenc Warehouse, along with a full year's contribution from the Agora Business Centre. The expected elevation of rental revenue to €1.4m in FY2024

is principally due to the entire year's leases of the Agora Retail Centre and Tal-Qenc Showroom and the leasing of the currently unoccupied office spaces at the Agora Business Centre and Aries House, which are projected to be leased from the start of FY2024 at prevailing market rates.

It is anticipated that the Iklin Residences will reach completion in FY2024 and are projected to be sold for approximately €1.8 million within that fiscal year. Currently, as of the reporting date, two of the apartments and the penthouse have been secured under promise of sale agreements (POSA), collectively amounting to a sales value of €855k.

In FY2024, with all developments forecasted to be finalized, the Group plans to initiate additional cycles of property development. Starting in FY2024, the finance costs will consist of the interest that the Group is expected to incur on its forthcoming Bond issuance. This includes interest on the second tranche scheduled for maturity in FY2035, as well as interest on the loan acquired from Finance House plc that bears interest.

In FY2023, the investment property's fair value increase of €1.6 million is linked to the reassessment of the De Rohan Business Centre, Tal Qenc Warehouse, and Aries House. It is presumed that a deferred tax liability will be accounted for within the year's income tax expense.

Due to the nature of the property market and the mix of income streams generated the Group experienced a healthy yet volatile revenue growth as can be seen from the significant drop in revenue by 39.57% in FY2021, followed by a dramatic increase of 255.49% in FY2022 followed by a substantial decline again in FY2023 by 80.14%, followed by a strong rebound projected in FY2024

Historically the Group experienced a decreasing EBITDA margin however it is forecasted that in FY2023 a significant increase will be realised following by another strong rise projected in FY2024 as the Group rental revenues increase whilst costs are kept under control.

2.2 Group's Consolidated Statement of Financial Position

	FY2020 Audited (€'000)	FY2021 Audited (€'000)	FY2022 Audited (€'000)	FY2023 Forecast (€'000)	FY2024 Projection (€'000)
Assets					
Non-current assets					
Goodwill	3,242	3,242	3,242	3,242	3,242
Intangible assets	3	4	5	5	5
Investment property	26,817	34,613	43,585	47,250	51,576
Tangible assets	34	65	41	33	25
Total non-current assets	30,096	37,924	46,874	50,530	54,847
Current assets					
Inventories	4,331	3,814	1,120	1,268	-
Deferred tax	-	-	106	173	62
Trade and other receivables	2,206	2,401	2,282	1,785	1,385
Cash and cash equivalent	603	477	46	922	3,022
Total current assets	7,140	6,693	3,554	4,149	4,469
Total assets	37,236	44,617	50,428	54,679	59,316
Equity					
Share capital	63	943	943	10,360	10,360
Retained earnings	11,254	15,961	18,665	19,706	19,754
Shareholder contribution	6,730	6,730	6,730	-	-
Equity attributable to equity holders of the parent	18,046	23,634	26,338	30,066	30,114
Non-controlling interest	1	1	1	1	1

Total equity	18,048	23,635	26,339	30,068	30,116
Liabilities					
Non-current liabilities					
Interest-bearing borrowings	5,989	5,374	4,825	13,976	20,286
Deferred tax	1,017	2,915	3,693	3,830	3,830
Trade and other payables	30	126	-	-	-
Total non-current liabilities	7,036	8,415	8,518	17,806	24,116
Current liabilities					
Interest-bearing borrowings	4,533	4,277	9,593	2,995	1,570
Trade and other payables	7,322	7,976	5,678	3,697	3,356
Current tax	297	313	300	113	159
Total current liabilities	12,152	12,566	15,571	6,805	5,085
Total liabilities	19,188	20,982	24,089	24,611	29,201
Total liabilities and equity	37,236	44,617	50,428	54,679	59,317

Key Performance Indicators	FY2020A	FY2021A	FY2022A	FY2023F	FY2024P
Gearing 1 (Total Liabilities / Total Assets)	51.53%	47.03%	47.77%	45.01%	49.23%
Gearing 2 (Net Debt / Total Equity)	54.96%	38.82%	54.57%	53.38%	62.54%
Net Debt / EBITDA	10.46	22.54	25.13	60.79	15.00
Quick Ratio (Current Assets - Inventory/ Current Liabilities)	0.23	0.23	0.16	0.42	0.88
Current Ratio (Current Assets / Current Liabilities)	0.59	0.53	0.23	0.61	0.88

Commentary

The company's total assets have grown steadily from €37.2m in FY2020 to €50.4m in FY2022 and are projected to grow to 59.3m by FY2024 forecast, indicating a growth-oriented trajectory. Non-current assets have increased from €30.1m in FY2020 to €46.9m in FY2022 and are projected to grow to €54.8 by year FY2024, with a notable increase in investment property from €26.8m to €51.6m. This increase is due to the fair value uplift of the properties and also enhancement to certain properties, contributing to asset growth.

The Group's investment property is expected to increase from €26.8m as at 31 December 2020 to a projected €51.6 million as at 31 December 2024 due to the following movements:

- Completion and revaluation of Agora Retail Centre (+€0.6 million) in FY2023;
- Additions to Marsa and Attard Showroom (+€0.2 million) in FY2023;
- Additions to Agora Business Centre (+€0.7 million) in FY2023;
- Fair value uplift of €0.2 million of Tal-Qenc Warehouse and additions €0.2 million in FY2023;
- Additions totalling €0.5 million to the Iklin Showroom in FY2023 and FY2024;
- Fair value uplift of €0.4 million Aries House in FY2023 and additions of €0.1 million to Aries House in FY2024;

The increase in share capital in FY2024 to €10.4m,

- capitalization of retained earnings of €187k;
- capital injection of €2.5 million from Zammit Holdings which shall be financed through dividend income declared by Finance House plc
- capitalization of shareholder contribution of €6.7 million.

Interest-bearing borrowings under non-current liabilities increase from €4.8m in FY2022 to €20.4m in FY2025, as a result of the bond issuance programme.

The Group's liabilities as a proportion of its assets (Gearing 1) decreased from 51.53% in FY2020 to a forecasted 45.01% in FY2021, indicating a stronger balance sheet. However, it will increase slightly in FY2024 as a result of the bond issue. The Net Debt to EBITDA ratio has been rising, peaking at 60.79 in FY2023 before falling to 15.00 in FY2024. The high in FY2023 indicates the company would take a longer time to pay off its debt from its core profits, but the decrease in FY2024 suggests an improvement in the company's ability to generate earnings relative to its debt.

2.3 Group's Consolidated Statement of Cash Flows

	FY2020 Audited (€'000)	FY2021 Audited (€'000)	FY2022 Audited (€'000)	FY2023 Forecast (€'000)	FY2024 Projection (€'000)
Operating activities					
EBITDA	948	407	572	264	1,256
Adjustments for:					
Tax credit not utilized	-	-	(50)	-	-
Waiver of payable balances	-	-	187	285	-
Waiver of receivable balances	-	-	(70)	-	-
Change in working capital:					
Change in inventory	588	370	3,617	(148)	1,268
Change in trade and other receivables	255	(316)	(568)	497	400
Change in trade and other payables	1,417	1,382	(2,948)	(1,268)	(302)
Cash generated from operating activities	3,209	1,843	740	(369)	2,622
Other income (expenses)	81	40	46	53	-
Interest received	0	0	86	-	-
Interest paid	(40)	(83)	(188)	(1,097)	(1,236)
Tax paid	(118)	(103)	(208)	(151)	(38)
Net cash generated from/ (used in) operating activities	3,132	1,698	476	(1,565)	1,347
Investing activities					
Purchase of other assets	(8)	(58)	(4)	(3)	(3)
(Development)/Sale of investment properties	(1,888)	(1,266)	(6,896)	(1,864)	(4,064)
Net cash used in investing activities	(1,896)	(1,323)	(6,899)	(1,867)	(4,067)
Financing activities					
Issue of share capital	-	-	-	2,500	-
Movement in related party balances	(86)	369	1,225	(729)	-

Movement in long/short-term borrowings	(741)	(823)	4,559	2,759	4,819
Net cash generated from/ (used in) financing activities	(828)	(454)	5,784	4,530	4,819
Movement in cash and cash equivalents	408	(80)	(639)	1,099	2,099
Cash and cash equivalents at beginning of year	135	543	463	(176)	922
Cash and cash equivalents at end of year	543	463	(176)	922	3,022
Bank overdraft	60	13	222	-	-
Cash and cash equivalents at end of year	603	476	45	922	3,022

Commentary

The Group's predicted cash flows from operations are primarily influenced by earnings from property rentals and proceeds from property sales. These are adjusted after considering administrative costs, paid interest and taxes, and changes in working capital. The Group's investing activities mainly consist of the development of the De Rohan Business Centre and the development/improvements on Tal-Qenč Warehouse, Agora Retail Centre, Agora Business Centre, Iklin Showroom, Marsa and Attard Showroom.

Significant changes during the observed period between FY2020 and the forecast for FY2023 are attributed to:

- Variations in inventory related to the Group's properties, which are moved to cost of sales when a commercial space or residential unit is sold;
- Fluctuations in trade receivables and payables, largely arising from changes in balances with related parties and operating capital related to the Group's regular business operations;
- Interest payments made on the Group's various debt obligations;
- Investment activity-related cash flow, which is primarily composed of property acquisition and development costs, with these properties being held for rental purposes and expected capital growth;
- Financing activity-related cash flows, which are mostly attributed to changes associated with financial injections and withdrawals made to and from related entities, as well as funding drawdowns.

The Group's financing activities will be impacted mainly by:

- proceeds from the proposed issue of bonds net of bond issue costs in FY2024.
- proceeds from Private Debt in FY2023 which is redeemed in FY2024.
- settlement of bank loans in FY2024.

Part 3 – Key Market and Competitor Data

3.1 Economic Update

The Business Conditions Index from the Central Bank of Malta reveals that in November 2023, the yearly increase in business operations was generally consistent with its historical average. Meanwhile, the European Commission's indicator for economic sentiment dropped for a second month in a row in November 2023, remaining below its average over time. Furthermore, there was a slight decrease in employment outlook compared to the previous month. Expectations for pricing slightly decreased in the industrial and services sectors, yet increased in other areas, staying higher than their average over the long term across all sectors. The trends in activity measures showed a mixed picture, with industrial output growing more slowly than the previous year, and retail sales declining more sharply. Job market conditions continued to be positive in October 2023. The issuance of residential building permits saw a decrease in October 2023 from the level a year before. In November 2023, there was an increase in promise-of-sale agreements, but a decline in the number of completed sales agreements year-over-year. In October 2023, deposits from residents of Malta, part of the wider M3 monetary aggregate, fell from the level seen a year prior, indicating a reduction in balances held by financial intermediaries and, to a smaller degree, by companies. At the same time, the yearly growth in lending to residents of Malta saw an uptick from the previous month. The annual inflation rates as measured by the Harmonised Index of Consumer Prices (HICP) and the Retail Price Index (RPI) in November 2023 dropped further to 3.9% and 3.6%, respectively. The Consolidated Fund reported a reduction in its deficit in October 2023 compared to the same period the year before.

3.2 Economic Outlook

The Central Bank of Malta's recent forecasts indicate that Malta's GDP is anticipated to rise by 3.8% in 2024, with a slight decrease to 3.6% in 2025. This marks an adjustment upwards for the 2024 figure from earlier estimates, while the forecast for 2025 remains the same.

It's important to point out that these predictions do not take into account the national accounts statistics released on November 28, 2023, by the National Statistics Office. The significant upward adjustment in GDP growth reported in that announcement suggests that, particularly for 2023, the Bank's future forecasts might be adjusted upwards in the forthcoming round of projections.

Growth is expected to be primarily fuelled by domestic demand, with private consumption continuing to increase rapidly and private investment starting to pick up. Additionally, net exports are expected to make a positive contribution, especially through the expansion of services exports.

While employment growth is anticipated to slow down over the forecast period, wages are likely to rise in 2024, influenced by high inflation and a tight labour market.

Inflation, as measured by the Harmonised Index of Consumer Prices, is expected to decline from 5.6% in 2023 to 3.0% in 2024 and then to 2.0% by 2026. Inflation is expected to stay above the Eurosystem's price stability target in the next year due to the ongoing indirect effects of wage responses to recent input cost increases and profit margins. Nevertheless, inflation forecasts have been revised downwards, aligning with the latest data outcomes.

The general government deficit is projected to decrease over the forecast period, while the general government debt-to-GDP ratio is expected to rise, reaching 56.7% by 2026. Compared to previous estimates, the deficit and debt ratios have been adjusted downwards for 2023 but increased for the subsequent two years.

Overall, risks to economic activity lean towards the positive for 2023 and 2024, influenced by the latest national accounts revisions and third-quarter performance. The risks for the outer years are also positive but to a lesser extent.

Inflation risks are slightly skewed towards the upside in 2024 but are considered balanced thereafter.

Fiscally, risks are positive (towards reducing the deficit) in 2023, likely due to stronger-than-expected tax revenue growth. From 2024 onwards, risks are expected to lean towards the downside (increasing the deficit), primarily due to the potential for higher-than-anticipated expenditures on energy support measures.

3.3 Commercial Property in Malta

Commercial real estate encompasses properties utilized for business activities, such as office buildings, retail outlets, warehouses, industrial facilities, and hospitality venues like hotels and restaurants. The desire for these types of properties has been significantly influenced by the expansion of certain industries, including tourism, financial services, online gaming, and the wholesale and retail sectors, over the last ten years.

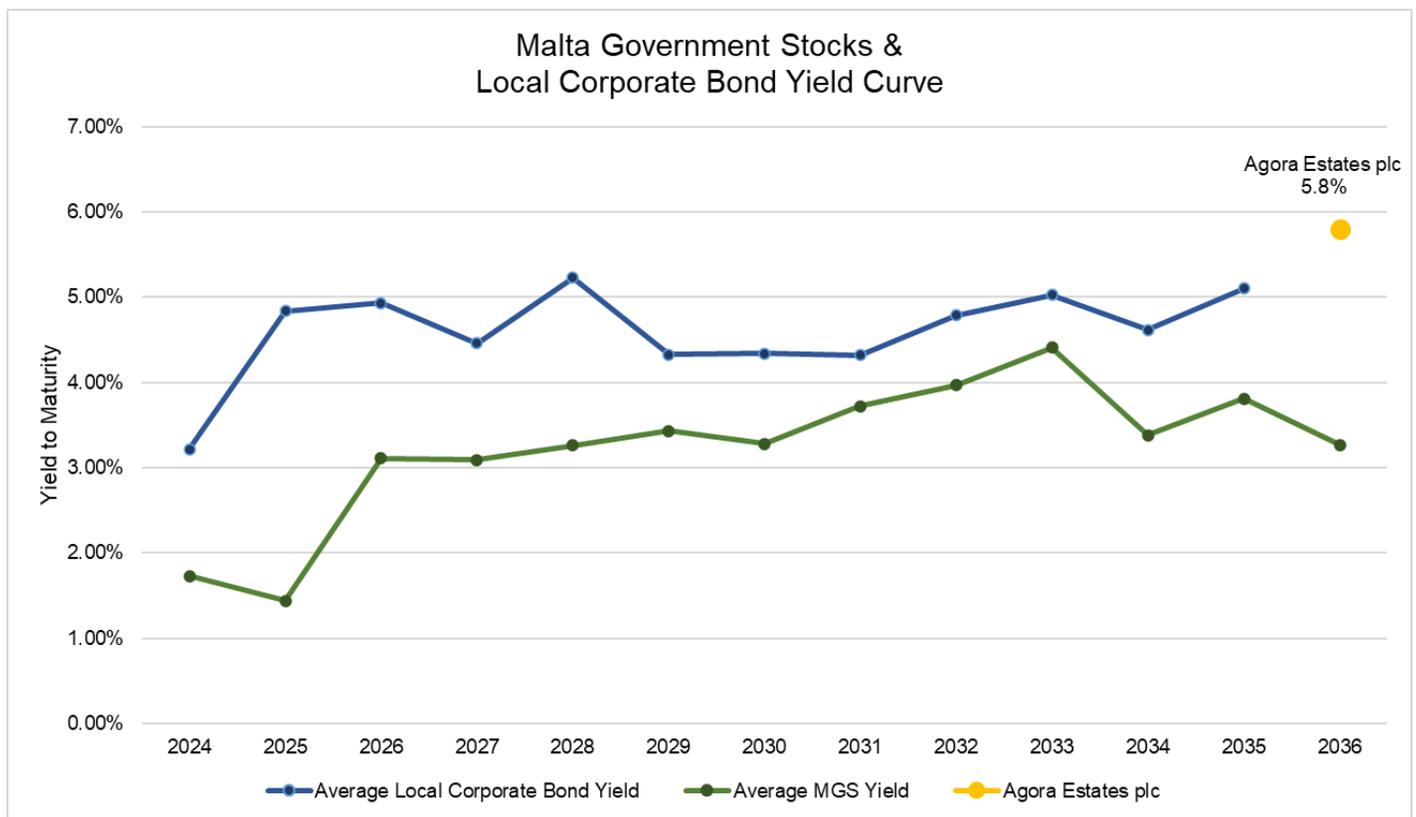
In Malta, the market for commercial real estate has seen considerable growth recently, offering lucrative opportunities for both entrepreneurs and investors. Current forecasts suggest a positive economic trajectory for Malta, with anticipated annual growth of approximately 4.0% over the coming three years. Nevertheless, these forecasts are subject to notable uncertainty due to factors such as the ongoing conflict in Ukraine, repercussions from the COVID-19 pandemic, and repercussions from the failure of a major global cryptocurrency exchange, which pose challenges to the international financial system.

Key areas hosting Malta's most dynamic sectors, including online gaming and financial services, are the St Julian's-Sliema-Gżira region and the Msida-Mrieħel-Qormi zone. These commercial districts have developed into coveted locations for business, featuring a variety of commercial office spaces, retail establishments, and other business-related activities over time.

3.4 Comparative Analysis

The table presented below is intended to contrast the Issuer's proposed debt offering with other debt securities. Given the absence of a directly comparable entity to the Issuer, we have incorporated a diverse array of Issuers that have varying maturity dates. Of particular note is the inclusion of issuers whose debt securities mature at a time similar to that of the Issuer's. It should be acknowledged that due to significant variances in the profiles and sectors of these issuers, the business risks associated with the Issuer differ from those related to the other issuers.

NAME	COUPON RATE (%)	YTM (%)	Interest Cover (times)	Net Debt to EBITDA (times)	Debt to Assets (times)
4.75% BDPH 2025-2027	4.75	4.75	13.29	4.71	0.65
4.75% GAP 2025-2027	4.75	4.75	33.21	4.85	0.69
5.75% PLG 2028	5.75	4.67	1.31	17.49	0.54
3.65% STV 2029	3.65	4.17	5.61	4.81	0.26
3.75% AXI 2029 S2	3.75	3.85	1.75	14.74	0.28
6.25% GPH 2030	6.25	4.98	1.73	7.63	0.75
3.5% AXR 2032	3.50	4.49	2.31	13.83	0.41
4.5% ONA 2028 - 2034	4.50	4.62	44.17	9.76	0.59
5.5% JUE 2035	5.50	5.10	3.35	11.26	0.51
5.80% Agora Estates plc 2036	5.80	5.80	1.80	15.00	0.49



The graph depicted above displays the mean yield to maturity for all domestic issuers together with the equivalent yield of MGSs (on the Y-axis) against the maturity timeline of both the Issuers and MGSs (on the X-axis), categorized by their respective maturity groupings where the spread premiums are observable. Additionally, the graph independently showcases the yield of the Issuer's suggested bonds.

Income Statement

Revenue	The total income the Group/Company has amassed from its core operations during the fiscal period.
Cost of Sales	Expenses that the Group/Company has undertaken in generating its income.
EBITDA	Stands for Earnings Before Interest, Taxes, Depreciation, and Amortization, reflecting the income from operations that the Group/Company has realized.
Operating Profit (EBIT)	EBIT represents Earnings Before Interest and Taxes.
Depreciation and Amortisation	A fiscal measure to account for the decline in value of assets over time and the cost for asset replacement after full depreciation.
Net Finance Costs	Interest costs accrued on debts minus any interest income from bank balances and intra-group company loans.
Profit after tax	The earnings the Group/Company has retained during the fiscal year, after accounting for all applicable income taxes.

Profitability Ratios

Growth in Revenue (YoY)	This is the increment in income compared to the prior fiscal year.
Gross Profit Margin	The ratio of gross profit to the total income.
EBITDA Margin	This is EBITDA expressed as a ratio of total income.
Net Profit Margin	Is a financial ratio that expresses a company's net income as a percentage of its total revenue.

Cash Flow Statement

Net cash generated from/ (used in) operating activities	This represents the cash that is produced (or used up) by the company's routine business operations.
Net cash used in investing activities	This refers to the cash that is produced (or used up) through transactions involving the purchase, sale, and/or enhancement of fixed assets and other long-term investments.
Net cash generated from/ (used in) financing activities	This indicates the cash that is produced (or used up) which affects the firm's financial framework, leading to modifications in equity financing and debt levels.

Balance Sheet

Total Assets	Assets owned by the Group/Company, which are bifurcated into Non-Current Assets and Current Assets.
Non-Current Assets	Assets whose value will not be fully realized within the upcoming accounting year.
Current Assets	Assets anticipated to be liquidated within one year from the date of the financial position statement.
Inventory	The goods ready for sale.
Cash and Cash Equivalents	Assets of the Group/Company that are cash or can be instantly converted to cash.
Total Equity	Derived from subtracting liabilities from total assets, indicating the capital held by shareholders, retained earnings, and reserves.
Total Liabilities	What the Group/Company owes, divided into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations due after more than one fiscal year.
Interest-bearing borrowings	All debt obligations bearing interest, including both long-term and short-term debts.
Net Debt	The Group/Company's total debt minus any cash and cash equivalents.
Current Liabilities	Obligations due within the fiscal year.

Financial Strength Ratios

Interest Coverage Ratio	This is calculated by dividing one period's EBITDA by the cash interest paid in the same period.
Gearing Ratio	This indicates the proportionate share of shareholders' equity and debt financing the total assets.
Gearing Ratio 1	Calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio 2	Calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	This ratio measures the Group's/Company's capacity to refinance its debt by examining the EBITDA.
Quick Ratio	This ratio assesses the Group's/Company's capacity to meet its short-term obligations with its most liquid assets,

contrasting current assets (minus inventory) to current liabilities.

Current Ratio

Also known as the Liquidity Ratio, it is a financial metric that assesses a company's capability to settle its debts over the next 12 months, comparing current assets to current liabilities.

Other Definitions

Yield to Maturity (YTM)

YTM is the anticipated rate of return on a bond if held to maturity. Essentially the bond's internal rate of return, it equates the present value of the bond's future cash flows to its current market price

Annex 3

Authorised Financial Intermediaries

Name	Address	Telephone
Bank of Valletta p.l.c.	Premium Banking Centre, 475, Triq il-Kbira San Guzepp St Venera SVR 1011	22751732
Calamatta Cuschieri Investment Services Ltd	Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034	25688688
Curmi & Partners Ltd	Finance House, Princess Elizabeth Street, Ta' Xbiex XBX 1102	21347331
Jesmond Mizzi Financial Advisors Ltd	67 Level 3, South Street, Valletta VLT 110	21224410
Michael Grech Financial Investment Services Ltd	The Brokerage, Level 0A, St Marta Street Victoria, Gozo VCT	22587000



Agora

