MARINER
FINANCE PLC

SUMMARY NOTE

This Summary Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014.

Dated 2 June 2014

SUMMARY NOTE

In respect of an Issue of €30 million 5.3% Unsecured Bonds 2024
(or €35 million in the event of exercise of the Over-Allotment Option)
of a nominal value of €100 per Bond issued at par by

MARINER
FINANCE PLC

Mariner Finance p.l.c.
A public limited liability company registered in Malta
with company registration number C31514

ISIN:MT0000271214

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

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

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

Manager and Registrar	Legal Counsel	Sponsor
HSBC	CAMILLERI PREZIOSI ADVOCATES	CHARTS WEALTH MANAGEMENT • CORPORATE BROKING

IMPORTANT INFORMATION

THIS SUMMARY NOTE CONSTITUTES PART OF A PROSPECTUS AND CONTAINS INFORMATION ON MARINER FINANCE P.L.C., ITS SUBSIDIARIES, AND BUSINESS OF THE GROUP, AND INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: (A) THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS (AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013 AND COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014); AND (B) THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MSE.

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

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

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION.

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

SAVE FOR THE ISSUE IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES NOTE OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF SAID DIRECTIVE, THE SECURITIES CAN ONLY BE OFFERED TO "QUALIFIED INVESTORS" (AS DEFINED IN SAID DIRECTIVE) AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE SAID DIRECTIVE.

A COPY OF THIS DOCUMENT HAS BEEN REGISTERED WITH THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MSE IN SATISFACTION OF THE MSE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT. APPLICATION HAS ALSO BEEN MADE TO THE MSE FOR THE BONDS TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE. **A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.**

THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THIS DOCUMENT. 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 ANY FINANCIAL INSTRUMENTS AND SECURITIES ISSUED BY THE ISSUER.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENSED UNDER THE INVESTMENT SERVICES ACT, CAP. 370 OF THE LAWS OF MALTA.

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA, AND ANY PERSON ACQUIRING ANY BONDS PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE ISSUER TO BRING ANY ACTION, SUIT OR PROCEEDING, IN ANY OTHER COMPETENT JURISDICTION, ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF BONDS, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE.

ALL THE ADVISORS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

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

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

MARINER
FINANCE PLC

SUMMARY NOTE

This Summary Note is prepared in accordance with the requirements of the Regulation, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014.

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1– E.7). This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

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

Act	the Companies Act (Cap. 386 of the Laws of Malta);
Applicant/s	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
Application/s	the application to subscribe for Bonds made by an Applicant/s by completing an Application Form/s and delivering same to the Registrar or to any of the Authorised Financial Intermediaries;
Application Form	the forms of application of subscription for Bonds, specimens of which are contained in Annex II of the Securities Note;
Authorised Financial Intermediaries	the licensed stockbrokers and financial intermediaries listed in Annex I of the Securities Note;
BCT	SIA Baltic Container Terminal, a company registered under the laws of Latvia with company registration number 000328803 and having its registered office at 1, Kundzinsala Street, Riga LV – 1822, Latvia;
Bond(s)	the €30 million (or €35 million in the event of exercise of the Over-Allotment Option) bonds due 2024 of a face value of €100 per bond redeemable at their nominal value on the Redemption Date, bearing interest at the rate of 5.3% per annum, as detailed in the Securities Note;
Bondholder	a holder of Bonds;
Bond Issue	the issue of the Bonds;
Bond Issue Price	the price of €100 per Bond;
Business Day	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
Company, Issuer or **Mariner**	Mariner Finance p.l.c., a company registered under the laws of Malta with company registration number C 31514 and having its registered office at Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta;
CSD	the Central Securities Depository of the MSE established pursuant to Chapter 4 of the Malta Stock Exchange Bye-Laws, having its address at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta;
Directors or **Board**	the directors of the Company whose names and addresses are set out in the Registration Document;
EQR	SIA Equinor Riga, a company registered under the laws of Latvia with company registration number 000325568 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
Euro or **€**	the lawful currency of the Republic of Malta;
Exchange, Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta), having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing company registration number C 42525;
Group	Mariner Finance p.l.c. and any company or entity in which Mariner Finance p.l.c. has a controlling interest, as further described in the Registration Document;
Interest Payment Date	3 July of each year between and including each of the years 2015 and 2024, 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;
Issue Date	14 July 2014;
Issue Period	the period between 23 June 2014 to 27 June 2014 during which the Bonds are on offer;
Issuer or **Company**	Mariner Finance p.l.c., a company registered under the laws of Malta with company registration number C 31514 and having its registered office at Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta;

Listing Authority	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act (Cap. 345 of the Laws of Malta) by virtue of Legal Notice 1 of 2003;
Listing Rules	the listing rules of the Listing Authority;
Manager and Registrar	HSBC Bank (Malta) p.l.c. (C 3177) of 116, Archbishop Street, Valletta VLT 1444, Malta;
MBH	SIA Mariner Baltic Holdings, a company registered under the laws of Latvia with company registration number 40103780617 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
Memorandum and Articles of Association or **M&As**	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus;
MFB	SIA Mariner Finance Baltic, a company registered under the laws of Latvia with company registration number 40103643056 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
MFSA	the Malta Financial Services Authority, incorporated in terms of the Malta Financial Services Authority Act (Cap. 330 of the Laws of Malta);
Official List	the list prepared and published by the MSE as its official list in accordance with the Malta Stock Exchange Bye-Laws;
Over-Allotment Option	the option of the Issuer to elect to increase the original Bond Issue by an additional €5 million 5.3% Bonds 2024 in the event of over-subscription of the original Bond Issue;
Placement Agreement	the agreement between the Sponsor and the Issuer to subscribe for Bonds in accordance with the Securities Note for the purpose of distributing to or placing with their underlying customers and other financial intermediaries any portion of the Bonds;
Prospectus	collectively the Registration Document, Securities Note and this Summary Note;
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as may be amended from time to time;
Redemption Date	3 July 2024;
Redemption Value	the nominal value of each Bond (€100 per Bond);
Registration Document	the registration document issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Regulation	Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus and dissemination of advertisements, as amended by: Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 as regards to regulatory technical standards for publication of supplements to the prospectus;
Securities Note	the securities note issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Sponsor	Charts Investment Management Service Limited (C 7944) of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, Malta, an authorised financial intermediary licensed by the MFSA and a Member of the MSE;
Summary Note	the summary note issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Terms and Conditions	the terms and conditions of the Bond Issue as contained in the Securities Note;
TEU	twenty-foot equivalent units – the standard measure of container volumes.

1 SECTION A - INTRODUCTION AND WARNINGS

A.1 Prospective investors are hereby warned that:

i. This summary is being provided to convey the essential characteristics and risks associated with the Issuer and the securities being offered pursuant to this document. This part is merely a summary and therefore should only be read as an introduction to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this summary in making a decision as to whether to invest in the securities described in this document. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;

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

iii. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, and who applied for its notification, but only if the summary, when read together with the other parts of the Prospectus: is misleading, inaccurate or inconsistent; or does not provide key information in order to aid investors when considering whether to invest in such securities.

A.2 Consent required for use of the Prospectus during the Issue Period – prospective investors are hereby informed that:

i. For the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries during the Issue Period 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 Directive, the Issuer consents to the use of this Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only:

(a) in respect of Bonds subscribed for through the Authorised Financial Intermediaries listed in Annex I of the Securities Note during the Issue Period;

(b) to any resale or placement of Bonds subscribed for as aforesaid taking place in Malta;

(c) to any resale or placement of Bonds subscribed for as aforesaid taking place within the period of 60 days from the date of the Prospectus.

ii. **In the event of a resale, placement or other offering of 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.**

iii. Any new information with respect to Authorised Financial Intermediaries unknown at the time of the approval of this Prospectus will be made available through a company announcement which will also be made available on the Issuer's website: www.mfplc.com.mt

2 SECTION B - ISSUER

B.1 The legal and commercial name of the Issuer is Mariner Finance p.l.c. (registration number C 31514).

B.2 The Issuer was registered in Malta in terms of the Act on 30 May 2003 as a private limited liability company, and is domiciled in Malta.

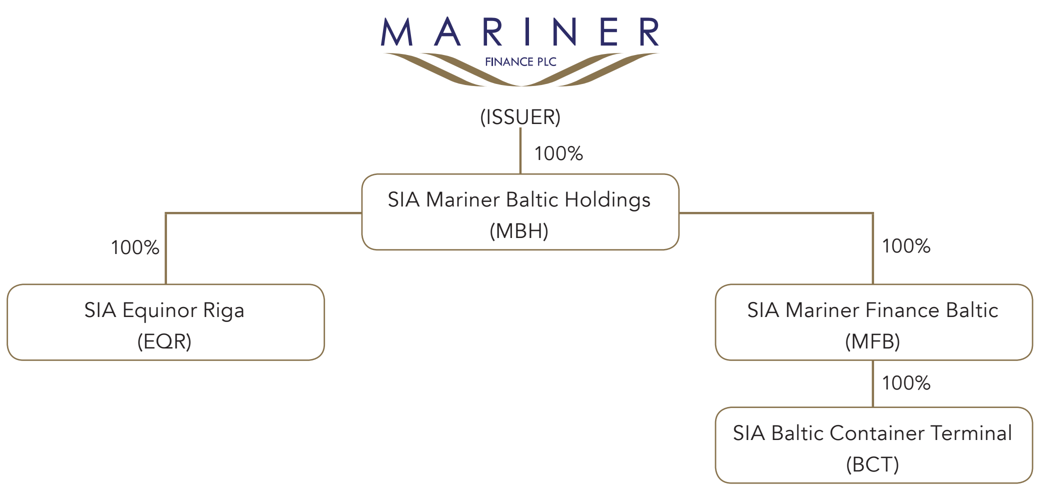
B.4b The principal object of the Issuer is to carry on the business of a finance and investment company within the Group, in particular for the financing of acquisitions in seaport terminals. The Issuer does not itself carry on any trading activities apart from the raising of capital and the advancing thereof to members of the Group. At the time of publication of the Prospectus, the Issuer considers that its future performance is intimately related to that of BCT, its principal operating subsidiary company.

Prior to the global decrease in container throughput in 2009 as a result of the global economic crisis, the volume of global and European container throughput had increased continuously between 2000 and 2008 as a consequence of the strong increases in world and European trade. Throughout the past decade, save for 2009 as aforesaid, BCT consistently improved its performance year-on-year and over the entire period, BCT achieved a compounded average volume growth rate of 7.8%, from 129,457 TEUs handled in 2003 to 273,650 TEUs registered in 2013. This trend is likely to continue as more bulk cargo is containerised, and increased trading takes place between Asia and Europe, and also within Europe itself. The directors of BCT believe that Russia's container market will continue to play an important role in the Baltic Sea region, which is still well behind other more developed countries, with only approximately 41 TEUs per 1,000 capita in 2012 (this being 2.2 times lower than the rate for the global market).

BCT experienced a decline in cargo storage revenue in 2013 and a downward shift in rates as negotiated with a number of shipping lines. Following the decline in 2013, rates for 2014 have stabilised and management expects to secure marginally improved rates going forward as of 2015. In order to maintain competitiveness and an above market rate, BCT intends to retain its investment in equipment and infrastructure in order to continually enhance the terminal's offerings, and to optimise the level of service provided to customers.

EQR's commercial property in Riga is at present fully occupied and therefore management is primarily involved in its upkeep with a view to retaining current tenants and attracting prospective clients at better rates in the eventuality of expiring lease agreements. Due to its central location and good demand for commercial space in the city, management is optimistic that full occupancy can be retained in the foreseeable future.

B.5 The Issuer is the holding company of the Group. The organisational structure of the Group is illustrated in the diagram below:



B.8 The following financial information is extracted from the pro forma consolidated financial statements of the Issuer for the year ended 31 December 2013 prepared to take into account the changes that have taken place in the structure of the Group as at 31 December 2013.

The pro forma consolidated financial information has been prepared for illustrative purposes only. Because of its nature, the pro forma consolidated financial information addresses a hypothetical situation and therefore does not represent the Group's actual financial position or results as at 31 December 2013. In the basis of preparation of the pro forma consolidated financial information, it has been assumed that the Issuer has controlled the Group as from 1 January 2013.

Mariner Finance p.l.c.
Pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2013

	(€'000)
Revenue	17,648
Net operating costs	(8,859)
EBITDA	**8,789**
Depreciation and amortisation	(1,574)
Net finance costs	(143)
Profit before tax	**7,072**
Taxation	(259)
Profit after tax	**6,813**

Mariner Finance p.l.c.
Pro forma consolidated statement of financial position as at 31 December 2013

	(€'000)
ASSETS	
Non-current assets	49,930
Current assets	5,213
Total assets	**55,143**
EQUITY AND LIABILITIES	
Total equity	**15,695**
Liabilities	
Non-current liabilities	33,722
Current liabilities	5,726
Total liabilities	**39,448**
Total equity and liabilities	**55,143**

B.9 Not Applicable: the Registration Document forming part of the Prospectus does not contain any profit forecasts or estimates.

B.10 Not Applicable: the audit reports on the audited financial statements for the years ended 31 December 2011, 2012 and 2013 do not contain any qualifications.

B.12 The annual statutory financial statements of the Issuer for the financial years ended 31 December 2011, 2012 and 2013, as audited by Deloitte Audit Limited, and the audited financial statements of EQR and BCT, are available at the registered office of the Issuer.

The remaining components of Element B.12 are not applicable, given that: (i) there has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements; and (ii) there were no significant changes in the financial or trading position of the Issuer since the end of the financial period to which the last published audited financial statements relate.

Set out below are highlights extracted from the audited financial statements of the Issuer for the years ended 31 December 2011, 2012 and 2013. The Issuer considers that given the restructuring of the Group, the historical financial information specific to the Issuer is of limited relevance for the purpose of prospective investors making an informed decision as to whether to invest in the Bonds.

Mariner Finance p.l.c.
Financial year ended 31 December

	2013	**2012**	**2011**
	€	**€**	**€**
Interest and investment income	9,194	37,076	2,965
Profit for the year	3,625	23,278	(2,968)
Total assets	837,944	1,219,682	1,147,570
Total equity	784,004	715,193	652,455

B.13 Not Applicable: The Issuer is not aware of any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency.

B.14 The principal object of the Issuer is to carry on the business of a finance and investment company within the Group, in particular for the financing of acquisitions in seaport terminals. The Issuer does not itself carry on any trading activities apart from the raising of capital and the advancing thereof to members of the Group. Accordingly the Issuer is economically dependent on the operations and performance of BCT and, to a lesser extent, EQR. The business of the Group is largely related to the acquisition and operation of seaport terminals and, to a lesser extent, the acquisition and operation of commercial properties.

B.15 As at the date of the Prospectus, the Issuer is the holding company of the Group. In terms of the M&As the main objects of the Issuer include, *inter alia*: acting as a holding company and investing in any other company, partnership or business; the provision of management, administration, technical, financial and professional services and the provision of human resources to Group and other companies relative or incidental to its business; constructing, developing and dealing in property; carrying on the business of a finance and investment company including the ownership, development, operation, construction and financing of ports or port operations or real estate property, including the financing or re-financing of the funding requirements of the business of the Company's subsidiaries and/or associated companies.

B.16 The Issuer's current authorised and issued share capital is €500,000, divided into 50,000 ordinary shares of €10 each, fully paid up. The issued share capital of the Issuer is divided as follows: Mariner Capital Limited (C 11890) holds 49,999 ordinary shares and Marin Hili holds 1 ordinary share. The Issuer is wholly owned directly, or indirectly through Mariner Capital Limited, by Marin Hili as to 70%, and by Edward Hili and Michela Borg as to the remaining 30%. In terms of the M&As members are entitled to appoint one director for every 25% of the issued share capital of the Issuer held by them, putting Mariner Capital Limited in a position to appoint a majority of the Board and accordingly having control over the management and operations of the Issuer. Measures in line with the Code of Principles of Good Corporate Governance found in the Listing Rules are adopted to ensure that the relationship with Mariner Capital Limited is retained at arm's length.

B.17 Not Applicable: The Issuer has not sought the credit rating of an independent rating agency, and there has been no assessment by any independent rating agency of the Bonds issued by the Issuer.

3 SECTION C - SECURITIES

C.1 The Issuer shall issue an aggregate of €30 million (or €35 million in the event of exercise of the Over-Allotment Option) in Bonds having a face value of €100 per bond, subject to a minimum subscription of €2,000 in Bonds. The Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Bonds will have the following ISIN number MT0000271214. The Bonds shall bear interest at the rate of 5.3% per annum and shall be repayable in full upon maturity unless previously re-purchased and cancelled.

C.2 The Bonds are denominated in Euro (€).

C.5 The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.

C.8 Investors wishing to participate in the Bonds will be able to do so by duly executing the appropriate Application Form in relation to the Bonds. Execution of the Application Form will entitle such investor to:

(i) the payment of capital;
(ii) the payment of interest;
(iii) ranking with respect to other indebtedness of the Issuer in accordance with the status of the Bonds, as follows: "*The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu, without any priority or preference among themselves and with other unsecured debt, if any*";
(iv) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond; and
(v) enjoy all such other rights attached to the Bonds emanating from the Prospectus.

As at 30 April 2014 the Group indebtedness amounted to €34,228,147.32, and includes bank loans and a third party loan (€604,800). The bank borrowings consist of:

- a loan agreement entered into by and between MFB (as borrower), AS DNB Banka (registration number 40003024725) and Nordea Bank Finland Plc (Latvian branch having registration number 40003486767) (as lenders) for an aggregate amount of €40,000,000 split equally between the two lenders, subject to the terms and conditions of said agreement (the "**Loan Agreement**"). As at 30 April 2014 the amount of €33,582,992.32 was still outstanding; and

- a loan agreement entered into by and between EQR (as borrower) and Nordea Bank Finland Plc (Latvian branch having registration number 40003486767) (as lender). As at 30 April 2014 an aggregate amount of €40,355 remained outstanding.

The above Bank Borrowings are secured by pledges over the entire issued share capital of BCT; the bank accounts held by MFB with Nordea Bank Finland Plc and with AS DNB Banka; and all movable property, present and future, of MFB and BCT and mortgages over in favour of Nordea Bank Finland Plc and AS DNB Banka over real estate property owned by BCT identified in the Loan Agreement. The indebtedness being created by the Bonds ranks after these bank borrowings. In addition, the Bonds would also rank after any future debts which may be secured by a cause of preference such as a pledge, mortgage, privilege and/or a hypothec.

C.9 The Bonds shall bear interest from and including 4 July 2014 at the rate of 5.3% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be effected on 3 July 2015. Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day. Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 3 July 2024.

The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds at Redemption Date is five point three per cent (5.3%).

The remaining component of Element C.9 is not applicable, given that no representative of debt security holders has been appointed.

C.10 Not Applicable: there is no derivative component in the interest payments on the Bonds.

The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated 2 June 2014. Application has been made to the MSE for the Bonds being issued pursuant to the Prospectus to be listed and traded on the Official List. The Bonds are expected to be admitted to the MSE with effect from 14 July 2014 and trading is expected to commence on 15 July 2014.

4 SECTION D - RISKS

Holding of a Bond involves certain risks. Prospective investors should carefully consider, with their own independent financial and other professional advisors, the following risk factors and other investment considerations as well as all the other information contained in the Prospectus before deciding to acquire Bonds. Prospective Investors are warned that by investing in the Bonds they may be exposing themselves to significant risks that may have the consequence of losing a substantial part of or all of their investment.

The Prospectus contains statements that are, or may be deemed to be, "forward looking statements", which relate to matters that are not historical facts and which may involve projections of future circumstances. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer and/or its' Directors. These forward looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Issuer's Directors. No assurance is given that the future results or expectations will be achieved.

Below is a summary of the principal risks associated with an investment in the Issuer and the Bonds – there may be other risks which are not mentioned in this Summary. Investors are therefore urged to consult their own financial or other professional advisors with respect to the suitability of investing in the Bonds. The following is a summary of the principal risk factors:

D.2 Essential information on the key risks specific to the Issuer, the Group and its business:

A. Risks relating to the Issuer:

i. The Issuer is a holding company and, as such, its assets consist primarily of loans issued to and investments in Group companies. Consequently, the Issuer is largely dependent on income derived from dividends receivable from Group companies, particularly BCT, and the receipt of interest and loan repayments from Group companies. In this respect, the operating results of the Group companies, particularly BCT, have a direct effect on the Issuer's financial position and therefore the risks intrinsic in the business and operations of BCT and other Group companies have a direct effect on the ability of the Issuer to meet its obligations in respect of the repayment of principal and interest under the Bonds when due.

ii. The dividends, interest payments and loan repayments to be effected by Group companies are subject to certain risks. More specifically, the ability of Group companies to effect payments to the Issuer will depend on the cash flows and earnings of BCT and such other the Group companies, which may be restricted by: changes in applicable laws and regulations; by the terms of agreements to which they are or may become party, including the indenture governing their existing indebtedness, if any; or by other factors beyond the control of the Issuer. The occurrence of any such factor could in turn negatively affect the ability of the Issuer to meet its obligations in respect of the payment of interest on the Bonds and repayment of principal when due.

B. Risks relating to BCT, the operation of container terminals and future acquisitions of container terminals:

i. The development of container volumes is an important determinant of BCT's cargo volumes and, consequently, the development of its revenue and profits. A delay in or obstruction of the further liberalisation of trade with the markets from which BCT receives cargo, or to which cargo passing through its terminal is shipped, slowing economic growth or the imposition of new trade barriers in Russia or in the Commonwealth of Independent States (CIS) or globally, could lead to lower growth or a decline in the volume of trade and, consequently, to a decline or slower growth in cargo container handling. Given BCT's dependence on the volume of container traffic, such developments could materially impair BCT's growth prospects and could have a material adverse effect on its business, results of operations, financial condition or prospects.

ii. BCT derives a substantial portion of its revenue from the handling of containers. Accordingly, its future revenues and profits will depend significantly on container shipping volumes and overall container handling capacity in the Baltic region. BCT's ability to ensure that capacity is utilised is dependent on demand for its services and the capacity provided by other providers in the area. Such developments at competing terminals could substantially impair BCT's growth prospects and could have a material adverse effect on its business, results of operations, financial condition or prospects.

iii. The Group may, in the coming years, seek to expand its operations through the acquisition of third party container terminals. Any future acquisitions that the Group may undertake entails certain risks, including the failure to realise the expected benefits of the acquisitions and the incurrence of unexpected risks and obligations. Acquisitions are also subject to the risk that the target is overvalued and thus the payment of consideration is greater than the acquisition's actual market value. Acquiring additional businesses could also place increased pressure on the Group's cash flows and the incurrence of significantly higher than anticipated financing-related risks and operating expenses, especially if the acquisition is paid for in cash. Furthermore, if an acquisition is not completed, this may adversely impact the Group's strategic objectives. If any such risks were to materialise in conjunction with an acquisition, this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects. In addition, the Group may experience problems in integrating potential acquisitions into its business and managing them optimally and such integration may place additional strain on management resources. The acquisition of operations located outside of the area in which the Group currently operates can expose the Group to the risks of operating in new geographies.

iv. Consolidation within the container terminal industry results in BCT having to compete with other terminal operators that may be larger and have greater financial resources than BCT and therefore may be able to invest more heavily or effectively in their facilities or withstand price competition. Consolidation between competitor container ports and container shipping companies could also have the effect of reducing the number of shipping customers available to BCT and increasing the access that its competing ports have to the major shipping lines. This could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

v. Cost pressures are amongst the factors that may contribute to the trend towards consolidation among shipping companies. If BCT's customers were to experience future market concentration or increases in their market share, their market power and bargaining power vis-à-vis BCT would increase, and BCT could suffer a decrease in its own market share if its competitors were to provide a suitable alternative to BCT's facilities on more advantageous terms, or could be forced to lower its prices with a view to retaining the shipping companies' custom. Either of these effects could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

vi. BCT's container terminal business is dependent on a limited number of shipping lines calling at its terminal. At any time during the terms of existing contracts with such shipping lines, which are typically of an indefinite duration, one or more of these shipping lines may opt to terminate and have its containers handled at a competitor's terminal, or may reduce its throughput at BCT's terminal. As a result, BCT's revenues are vulnerable to the loss of or difficulties experienced by such customers. The loss of - or a reduction in or failure of payment for services rendered for any reason by - important customers, could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

vii. BCT's terminal operations are subject to extensive laws and regulations governing, among other things: the loading, unloading and storage of hazardous materials; environmental protection; and health and safety. BCT's ability to operate its container terminal business is contingent on its ability to comply with these laws and regulations and to obtain, maintain and renew as necessary related permits and licences from governmental agencies and authorities in Riga, Latvia. BCT's failure to comply with all applicable regulations and obtain and maintain requisite certifications, permits and licences could: lead to substantial penalties, including criminal or administrative penalties, other punitive measures and/or increased regulatory scrutiny; trigger a default under one or more of its financing agreements; or invalidate or increase the cost of the insurance that it maintains for its port business.

viii. BCT's failure to comply with regulations that affect its employees, such as health and safety regulations, could affect its ability to attract and retain employees. BCT could also incur civil liabilities, such as abatement and compensation for loss, in amounts in excess of, or that are not covered by, its insurance policies. For the most serious violations, BCT could also be forced to suspend operations until it obtains such certifications, permits or licences or otherwise brings its operations into compliance.

ix. **Changes to existing regulations or the introduction of new regulations, procedures or licensing requirements are beyond BCT's control and may be influenced by political or commercial considerations not aligned with BCT's interests. Any such regulations and licensing requirements could adversely affect its business by reducing its revenue or increasing its operating costs or both, and it may be unable to mitigate the impact of such changes. Any expansion of the scope of the regulations governing BCT's environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of its ability to address environmental incidents or external threats. The inability to control the costs involved in complying with these and other laws and regulations, or to recover the full amount of such costs from its customers, could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.**

x. **BCT carries insurance for all of its operations in line with currently accepted market practice. Although BCT's contracts generally provide that BCT is liable for damage to or loss of cargo it handles, its liability is limited to the cargo value stated on the applicable customs declaration. If an uninsured event were to occur and BCT were liable for it, or if BCT experiences difficulty collecting insurance compensation that is due to it, BCT could experience significant disruption in its operations and/or requirements to make significant payments for which it would not be compensated. This, in turn could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.**

xi. **BCT inspects cargo that enters its terminal in accordance with the inspection procedures prescribed by, and under the authority of, the governmental body charged with oversight of its port. BCT also relies on the security procedures carried out by its shipping line customers and the port facilities that such cargo has previously passed through to supplement its own inspection to varying degrees. BCT cannot guarantee that its own security measures and procedures will prevent all of the cargo that passes through its terminal from being affected by breaches in security or acts of terrorism either directly against BCT or indirectly in other areas of the supply chain that will impact on BCT.**

xii. **A security breach or act of terrorism occurring at its terminal, or at a shipping line or other port facility that has handled cargo prior to it reaching BCT's facilities, could subject BCT to significant liability, including the risk of litigation, adverse publicity and loss of goodwill. Moreover, a major security breach or act of terrorism occurring at its terminal or one of its competitors' facilities may result in a temporary shutdown of the container terminal and/or the introduction of additional or more stringent security measures and other regulations. The costs associated with any such outcome could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.**

xiii. **BCT's business is dependent on retaining the services of, or in due course promptly obtaining equally qualified replacements for, key members of its management team. Demand for personnel with relevant expertise is intense due to the limited number of qualified individuals with suitable practical experience in the container ports industry. Although BCT has employment agreements with these key managers, the retention of their services cannot be guaranteed. Should they decide to leave BCT, it may be difficult to replace them promptly with other managers of sufficient expertise and experience or at all. Should BCT lose any of its key senior managers without prompt and equivalent replacement, or if BCT is otherwise unable to attract or retain such qualified personnel for its requirements, this could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.**

xiv. **The operational information and technology systems at BCT's terminal are designed to enable the terminal to use its infrastructure resources as efficiently as possible and monitor and control all aspects of its operations and terminal management. Although BCT's terminal is configured to keep its systems operational under abnormal conditions, including with respect to business processes and procedures, any failure or breakdown in these systems could interrupt its normal business operations and result in a significant slowdown in operational and management efficiency for the duration of the failure or breakdown. Any prolonged failure or breakdown could dramatically affect its ability to offer its transportation services to its customers. Similarly, any significant delays or interruptions in its loading or unloading of a customer's cargo could negatively affect its reputation as an efficient and reliable terminal operator. Any of the above factors could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, financial condition, results of operations and/or future prospects.**

xv. **BCT may experience disruptions to its operations due to strikes, labour disputes or other labour unrest.Any disruptions of transportation services due to strikes or other events could also impair customers' ability to use BCT's terminal. Moreover, any labour interruptions in any of the ports that serve as starting points or final destinations for trade lanes calling at the BCT terminal could lower the shipping volume passing through the terminal. Such disruptions could adversely affect the business, financial condition, results of operations and prospects of BCT.**

C. Risks relating to EQR and its business:

i. EQR was formed to own and operate a commercial property in Riga, Latvia. As property is a relatively illiquid asset, combined with the fact that so far EQR has made only one material property investment, in Riga, such illiquidity may affect EQR's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiration of the lease term. These factors could have an adverse effect on EQR's financial condition and results.

ii. EQR is susceptible to adverse economic developments and trends both locally and overseas. Negative economic factors and trends could have a material impact on the business of EQR generally, and may adversely affect rental revenues, property values and results of operations. In addition, EQR may be impacted by increased competition from other similar developments and rising operating costs.

iii. The health of the property and commercial rental market may be affected by a number of factors such as the national economy, political developments, government regulations, changes in planning or tax laws, interest rate fluctuations, inflation, the availability of financing and yields of alternative investments. An increase in the supply of commercial space could impact negatively upon capital values and income streams of the property.

iv. EQR is dependent on tenants fulfilling their obligations under their lease agreements. The business, revenue and projected profits of EQR would be negatively impacted if tenants were to fail to honour their respective lease obligations.

v. EQR is subject to the risk that tenants may terminate or elect not to renew their respective lease, either due to the expiration of the lease term or due to an early termination of the lease. In cases of early termination by tenants prior to the expiration of the lease term there is a risk of loss of rental income if the tenant is not replaced in a timely manner.

vi. Changes in laws and regulations relevant to EQR's business and operations that may have an adverse impact on EQR's business, results of operations, financial condition or prospects could be enacted.

vii. EQR's operating and other expenses could increase without a corresponding increase in revenue. The factors which could materially increase operating and other expenses include: unforeseen increases in the costs of maintaining the property; material increases in operating costs that may not be fully recoverable from tenants; and specifically in respect of the 25-year lease agreement between EQR and McDonald's Latvia, increases in the rate of inflation above the level of annual increments contracted with tenants. Such increases could have a material adverse effect on EQR's financial position and its ability to make distributions to its shareholders.

D.3 Essential information on the key risks specific to the Bonds.

An investment in the Bonds involves certain risks, including those set out below in this section. In deciding whether to make an investment in the Bonds, prospective investors are advised to carefully consider, with their own independent financial and other (including tax, accounting, credit, legal and regulatory) professional advisors, the following risk factors (not listed in order of priority) and other investment considerations, together with all the other information contained in the Prospectus:

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

ii. investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds;

iii. a Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different;

iv. no prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time;

v. the Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any. Furthermore, subject to the negative pledge clause, 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;

vi. **in the event that the Issuer wishes to amend any of the Terms and Conditions of the Bond Issue it shall call a meeting of Bondholders. The provisions relating to meetings of Bondholders permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority;**

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

5 SECTION E - OFFER

E.2b The proceeds from the Bond Issue, which net of Issue expenses are expected to amount to approximately €29.3 million (or €34.3 million in the event of exercise of the Over-Allotment Option), will be used by the Issuer for the following purposes, in the following amounts and order of priority:

a. the first €20 million of the proceeds from the Bond Issue will be used to refinance the Loan Agreement; (described in element C.8 of this Summary Note); and

b. any remaining balance of the net Issue proceeds (including proceeds raised through the exercise of the Over-Allotment Option) will be used for the purpose of: funding investments in ports or port operations and/or storage or logistics facilities related to the core and ancillary operations of the Group; and/or general corporate funding purposes of the Group; and/or further reducing the corporate indebtedness of the Group.

E.3 The Bonds are open for subscription by all categories of investors, including Authorised Financial Intermediaries either for their own account or on behalf of clients, and the general public. The Issuer has entered into a Placement Agreement with the Sponsor, Charts Investment Management Service Limited (C 7944) of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, on 29 May 2014, for the subscription of €20,000,000 of the Bonds on 20 June 2014. All other Applicants may subscribe for Bonds by submitting an Application Form, subject to a minimum application of €2,000 and in multiples of €100 thereafter.

Following the allocation of €20,000,000 to Charts Investment Management Service Limited pursuant to the conditional Placement Agreement referred to in the preceding paragraph, the Issuer shall allocate the remaining Bonds to Applications submitted by members of the general public without priority or preference amongst themselves and in accordance with the allocation policy as determined by the Issuer and the Registrar by submitting the Application Form.

The following is a synopsis of the general terms and conditions applicable to the Bonds. A Bondholder is deemed to have invested only after having received, read and understood the contents of the Prospectus, including the full terms and conditions contained in the annexes thereto:

1. *General*
The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any. Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 3 July 2024.

2. *Form, Denomination and Title*
The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €100 provided that on subscription the Bonds will be issued for a minimum of €2,000 per individual Bondholder. Financial Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €2,000 to each underlying client. Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Bond. Title to the Bonds may be transferred as provided in the Securities Note.

3. *Redemption and Purchase*
Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on the Redemption Date. Subject to the provisions of this paragraph, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike. All Bonds so purchased will be cancelled forthwith and may not be re-issued or re-sold.

4. *Interest and Yield*
The Bonds shall bear interest at the rate of 5.3% per annum payable annually on 3 July of each year. Interest shall accrue as from 4 July 2014. The first Interest Payment Date following the issuance of this Prospectus shall be 3 July 2015. Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.

The gross yield calculated on the basis of the interest, the Bond Issue Price and the redemption value of the Bonds at Redemption Date is 5.3%.

5. *Status of the Notes and Negative Pledge*
The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer, and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any.

6. *Payments*
Payment of the principal amount of a Bond will be made in Euro by the Issuer to the person in whose name such Bonds are registered, with interest accrued up to the Redemption Date, by means of direct credit transfer into such bank account as the Bondholder may designate from time to time, provided such bank account is denominated in Euro and held with any licensed bank in Malta. Such payment shall be effected within seven (7) days of the Redemption Date.

Payment of interest on a Bond will be made in Euro to the person in whose name such Bond is registered as at the close of business fifteen (15) days prior to the Interest Payment Date, by means of a direct credit transfer into such bank account as the Bondholder may designate from time to time. Such payment shall be effected within seven days of the Interest Payment Date.

7. *Events of Default*
The Securities Note sets out a list of events of default the occurrence of which would result in the Bonds becoming immediately due and repayable at their principal amount together with accrued interest.

8. *Transferability of the Bonds*
The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time. All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable laws and regulations. The cost and expenses of effecting any registration of transfer or transmission, except for the expenses of delivery by any means other than regular mail (if any) and except, if the Issuer shall so require for the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the Issuer. The Issuer will not register the transfer or transmission of Bonds for a period of fifteen (15) days preceding the due date for any payment of interest on the Bonds.

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

10. *Meetings of Participation Bondholders*
The provisions of the Prospectus may be amended with the approval of the Bondholders at a meeting called for that purpose by the Issuer.

11. *Governing Law and Jurisdiction*
The Bonds have been created, and the Bond Issue relating thereto is being made, in terms of the Act. From their inception the Bonds, and all contractual arrangements arising therefrom, shall be governed by and shall be construed in accordance with Maltese law. Any legal action, suit, action or proceeding against the Issuer arising out of or in connection with the Bonds shall be brought exclusively before the Maltese Courts and the Bondholder shall be deemed to acknowledge that it is submitting to the exclusive jurisdiction of the Maltese Courts as aforesaid.

E.4 Save for the subscription for Bonds by Charts Investment Management Service Limited and any fees payable to Charts Investment Management Service Limited in connection with the Issue as Sponsor, so far as the Issuer is aware no person involved in the Issue has an interest material to the Issue.

E.7 Professional fees and costs related to publicity, advertising, printing, listing, registration, Sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated to be in the region of €700,000.

6 TIME-TABLE

1. Application Forms available	9 June 2014
2. Private Placement date	20 June 2014
3. Issue Period (opening and closing of subscription lists, respectively)	23 June 2014 to 27 June 2014 *both days included*
4. Commencement of interest on the Bonds	4 July 2014
5. Announcement of basis of acceptance	4 July 2014
6. Refunds of unallocated monies	11 July 2014
7. Expected dispatch of allotment advices	11 July 2014
8. Expected date of admission of the securities to listing	14 July 2014
9. Expected date of commencement of trading in the securities	15 July 2014

The Issuer reserves the right to close the Bond Issue before 27 June 2014 in the event of over-subscription, in which case the events set out in steps 5 to 9 above shall be brought forward, although the number of workings days between the respective events shall not also be altered.

MARINER
FINANCE PLC

REGISTRATION DOCUMENT

This Summary Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014.

Dated 2 June 2014

SUMMARY NOTE

In respect of an Issue of €30 million 5.3% Unsecured Bonds 2024
(or €35 million in the event of exercise of the Over-Allotment Option)
of a nominal value of €100 per Bond issued at par by

MARINER
FINANCE PLC

Mariner Finance p.l.c.
A public limited liability company registered in Malta
with company registration number C31514

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

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

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

Manager and Registrar	Legal Counsel	Sponsor
HSBC	CAMILLERI PREZIOSI ADVOCATES	CHARTS WEALTH MANAGEMENT • CORPORATE BROKING

CONTENTS

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON MARINER FINANCE P.L.C. IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS (AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013 AND COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014).

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

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

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IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF SAID DIRECTIVE, THE SECURITIES CAN ONLY BE OFFERED TO "QUALIFIED INVESTORS" (AS DEFINED IN SAID DIRECTIVE) AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF SAID DIRECTIVE.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT.

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

ALL THE ADVISORS TO THE ISSUER NAMED IN THE REGISTRATION DOCUMENT UNDER THE HEADING "ADVISORS TO THE ISSUER" IN SECTION 3.2 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

1. DEFINITIONS

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

Act	the Companies Act (Cap. 386 of the laws of Malta);
BCT	SIA Baltic Container Terminal, a company registered under the laws of Latvia with company registration number 000328803 and having its registered office at 1, Kundzinsala Street, Riga LV – 1822, Latvia;
Bond Issue or **Offer**	the issue of the Bonds;
Bonds	the €30 million (or €35 million in the event of exercise of the over-allotment option) bonds due 2024 of a face value of €100 per bond redeemable at their nominal value on the Redemption Date, bearing interest at the rate of 5.3% per annum, as detailed in the Securities Note;
Directors or **Board**	the directors of the Issuer whose names are set out under the heading "**Identity of Directors, Advisors and Auditors of the Issuer**";
EQR	SIA Equinor Riga, a company registered under the laws of Latvia with company registration number 000325568 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
Euro or **€**	the lawful currency of the Republic of Malta;
Issuer or **Company**	Mariner Finance p.l.c., a company registered under the laws of Malta with company registration number C 31514 and having its registered office at Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta;
Listing Authority	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act (Cap. 345 of the laws of Malta) by virtue of Legal Notice 1 of 2003;
Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Mariner Group or **Group**	Mariner Finance p.l.c. and any company or entity in which Mariner Finance p.l.c. has a controlling interest, as further described in section 4.1.4 of this Registration Document;
MBH	SIA Mariner Baltic Holdings, a company registered under the laws of Latvia with company registration number 40103780617 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
Memorandum and Articles of Association or **M&As**	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus;
MFB	SIA Mariner Finance Baltic, a company registered under the laws of Latvia with company registration number 40103643056 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
MFSA	Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta);
Prospectus	collectively, the Registration Document, the Securities Note and the Summary Note;
Redemption Date	shall have the meaning set out in the Securities Note;
Registration Document	this document in its entirety;

Regulation	Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 as regards to regulatory technical standards for publication of supplements to the prospectus;
Securities Note	the securities note issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Summary Note	the summary note issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
TEU	twenty-foot equivalent units – the standard measure of container volumes.

2. RISK FACTORS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THIS PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH 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. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE ISSUER'S FINANCIAL RESULTS AND TRADING PROSPECTS AND THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER FACES. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE ISSUER.

NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE ISSUER: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE SPONSOR OR AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

2.1 Forward-looking statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Issuer's strategies and plans relating to the attainment of its objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Issuer's Directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus. If any of the risks described were to materialise, they could have a serious effect on the Issuer's financial results, trading prospects and the ability of the Issuer to fulfill its obligations under the securities to be issued. Accordingly, the Issuer cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by such statements and no assurance is given that the future results or expectations will be achieved.

2.2 Risks relating to the Issuer

Issuer's dependence on payments due from BCT and other Group companies may be affected by factors beyond the Issuer's control.

The Issuer is a holding company and, as such, its assets consist primarily of loans issued to and investments in Group companies. Consequently, the Issuer is largely dependent, including for the purpose of servicing interest payments on the securities described in the Securities Note and the repayment of the principal on maturity date, on income derived from dividends receivable from Group companies, particularly BCT, and the receipt of interest and loan repayments from Group companies. In this respect, the operating results of the Group companies, particularly BCT, have a direct effect on the Issuer's financial position and therefore the risks intrinsic in the business and operations of BCT and other Group companies have a direct effect on the ability of the Issuer to meet its obligations in respect of the repayment of principal and interest under the Bonds when due.

The dividends, interest payments and loan repayments to be effected by Group companies are subject to certain risks. More specifically, the ability of Group companies to effect payments to the Issuer will depend on the cash flows and earnings of BCT and other Group companies, which may be restricted by: changes in applicable laws and regulations; by the terms of agreements to which they are or may become party, including the indenture governing their existing indebtedness, if any; or other factors beyond the control of the Issuer. The occurrence of any such factor could in turn negatively affect the ability of the Issuer to meet its obligations in respect of the payment of interest on the Bonds and repayment of principal when due.

2.3 Risks relating to BCT, the operation of container terminals and future acquisitions of container terminals

2.3.1 ***BCT is dependent on the growth of trade volumes and, accordingly, on economic growth and the liberalisation of trade.***

The development of container volumes is an important determinant of BCT's cargo volumes and, consequently, the development of its revenue and profits. During the global financial crisis in 2009 the company and the container shipping industry as a whole experienced temporary declines in annual container handling volume.

A delay in or obstruction of the further liberalisation of trade with the markets from which BCT receives cargo, or to which cargo passing through its terminal is shipped, slowing economic growth (due to factors such as economic fluctuations, wars, natural disasters or internal developments such as political realignments) or the imposition of new trade barriers (such as rail, road and other tariffs; minimum prices; export subsidies and import restrictions or duties) in Russia or in the Commonwealth of Independent States (CIS) or globally, could lead to lower growth or a decline in the volume of trade and, consequently, to a decline or slower growth in cargo container handling. Given BCT's dependence on the volume of container traffic, such developments could materially impair BCT's growth prospects and could have a material adverse effect on its business, results of operations, financial condition or prospects.

2.3.2 ***The introduction of significant new capacity could result in surplus capacity and subject BCT to intensified price competition and lower utilisation.***

BCT derives a substantial portion of its revenue from the handling of containers. Accordingly, its future revenues and profits will depend significantly on container shipping volumes and overall container handling capacity in the Baltic region.

The scarcity of capacity in the 1990s had stimulated the development of new terminals, the expansion of existing terminals and the conversion of general cargo terminals to container terminals. BCT's ability to ensure that capacity is utilised is dependent on demand for its services and the capacity provided by other providers in the area. Such developments at competing terminals could substantially impair BCT's growth prospects and could have a material adverse effect on its business, results of operations, financial condition or prospects.

2.3.3 ***Possible expansions through acquisition entail certain risks, and the Group may be exposed to unexpected risks and experience problems realising the intended benefits of potential acquisitions.***

The Group may, in the coming years, seek to expand its operations through the acquisition of third party container terminals. Any future acquisitions that the Group may undertake entail certain risks, including the failure to realise the expected benefits of the acquisitions and the incurrence of unexpected risks and obligations. Acquisitions are also subject to the risk that the target is overvalued and thus the payment of consideration is greater than the acquisition's actual market value.

Acquiring additional businesses could also place increased pressure on the Group's cash flows and give rise to the incurrence of significantly higher than anticipated financing-related risks and operating expenses, especially if the acquisition is paid for in cash. Furthermore, if an acquisition is not completed, this may adversely impact the Group's strategic objectives. If any such risks were to materialise in conjunction with an acquisition, this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects. In addition, the Group may experience problems in integrating potential acquisitions into its business and managing them optimally, and such integration may place additional strain on management resources. The acquisition of operations located outside of the area in which the Group currently operates can expose the Group to the risks of operating in new geographies.

The above could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

2.3.4 ***BCT may be subject to increasing competition from other container terminals, and consolidation between container terminal operators and container shipping companies may enable BCT's competitors to compete more effectively.***

The container terminal industry has in recent years experienced, and continues to experience, significant consolidation, both internally and with the container shipping industry. Consolidation within the container terminal industry results in BCT having to compete with other terminal operators that may be larger and have greater financial resources than BCT and therefore may be able to invest more heavily or effectively in their facilities or withstand price competition.

Consolidation between competitor container ports and container shipping companies could also have the effect of reducing the number of shipping customers available to BCT and increasing the access that its competing ports have to the major shipping lines. The above could substantially impair BCT's growth prospects and have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

2.3.5 ***Further consolidation or alliances among container shipping companies could enable BCT's customers to exercise greater bargaining power when negotiating with BCT.***

Cost pressures, caused principally by higher fuel costs and low cargo shipping rates due to substantial increases in capacity, are amongst the factors that may contribute to the trend towards consolidation among shipping companies. If BCT's customers were to experience future market concentration or increases in their market share, their market power and bargaining power vis-à-vis BCT would increase, and BCT could suffer a decrease in its own market share if it its competitors were to provide a suitable alternative to BCT's facilities on more advantageous terms, or could be forced to lower its prices with a view to retaining the shipping companies' custom. Either of these effects could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

2.3.6 ***BCT is dependent on a limited number of shipping lines and customers for a significant portion of its business.***

BCT's container terminal business is dependent on a limited number of shipping lines calling at its terminal. At any time during the terms of existing contracts with such shipping lines, which are typically of an indefinite duration, one or more of these shipping lines may opt to terminate and have its containers handled at a competitor's terminal, or may reduce its throughput at BCT's terminal. As a result, BCT's revenues are vulnerable to the loss of or difficulties experienced by such customers. The loss of - or a reduction in or failure of payment for services rendered for any reason by - important customers, could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

2.3.7 ***BCT is subject to a wide variety of regulations, standards and licensing requirements and may face substantial liability if it fails to comply with any existing or future regulations applicable to its business.***

BCT's terminal operations are subject to extensive laws and regulations governing, among other things: the loading, unloading and storage of hazardous materials; environmental protection; and health and safety. BCT's ability to operate its container terminal business is contingent on its ability to comply with these laws and regulations and to obtain, maintain and renew as necessary, related permits and licences from governmental agencies and authorities in Riga, Latvia. BCT's failure to comply with all applicable regulations and obtain and maintain requisite certifications, permits and licences could: lead to substantial penalties, including criminal or administrative penalties, other punitive measures and/or increased regulatory scrutiny; trigger a default under one or more of its financing agreements; or invalidate or increase the cost of the insurance that it maintains for its port business.

Additionally, its failure to comply with regulations that affect its employees, such as health and safety regulations, could affect its ability to attract and retain employees. BCT could also incur civil liabilities, such as abatement and compensation for loss, in amounts in excess of, or that are not covered by, its insurance policies. For the most serious violations, BCT could also be forced to suspend operations until it obtains such certifications, permits or licences or otherwise bring its operations into compliance.

Changes to existing regulations or the introduction of new regulations, procedures or licensing requirements are beyond BCT's control and may be influenced by political or commercial considerations not aligned with BCT's interests. Any such regulations and licensing requirements could adversely affect its business by reducing its revenue or increasing its operating costs or both, and it may be unable to mitigate the impact of such changes.

Any expansion of the scope of the regulations governing BCT's environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of its ability to address environmental incidents or external threats. The inability to control the costs involved in complying with these and other laws and regulations, or to recover the full amount of such costs from its customers, could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

2.3.8 ***BCT's insurance policies may be insufficient to cover certain losses.***

BCT carries insurance for all of its operations in line with currently accepted market practice. Although BCT's contracts generally provide that BCT is liable for damage to or loss of cargo it handles, its liability is limited to the cargo value stated on the applicable customs declaration. BCT's contractual liability for export cargo handling begins when the railcar or truck enters its territory at the port and ends when the consignment is issued after having loaded the cargo onboard the vessel, and vice versa for import cargo handling. BCT's insurance against such liabilities is limited to third party liability insurance against damage to or destruction of the cargo up to its replacement value. If an uninsured event were to occur and BCT were liable for it or if BCT were to experience difficulty collecting insurance compensation that is due to it, BCT could experience significant disruption in its operations and/or requirements to make significant payments for which it would not be compensated. This, in turn could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

2.3.9 ***BCT relies on security procedures carried out at other port facilities and by its shipping line customers, which are outside of its control.***

BCT inspects cargo that enters its terminal in accordance with the inspection procedures prescribed by, and under the authority of, the governmental body charged with oversight of its port. BCT also relies on the security procedures carried out by its shipping line customers and the port facilities that such cargo has previously passed through to supplement its own inspection to varying degrees. BCT cannot guarantee that its own security measures and procedures will prevent all of the cargo that passes through its terminal from being affected by breaches in security or acts of terrorism, either directly against BCT or indirectly in other areas of the supply chain, that will impact on BCT.

A security breach or act of terrorism occurring at its terminal, or at a shipping line or other port facility that has handled cargo prior to it reaching BCT's facilities, could subject BCT to significant liability, including the risk of litigation, adverse publicity and loss of goodwill. Moreover, a major security breach or act of terrorism occurring at its terminal or one of its competitors' facilities may result in a temporary shutdown of the container terminal and/or the introduction of additional or more stringent security measures and other regulations. The costs associated with any such outcome could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

2.3.10 ***BCT's competitive position and prospects depend on the expertise and experience of its key managers and its ability to continue to attract, retain and motivate qualified personnel.***

BCT's business is dependent on retaining the services of, or in due course promptly obtaining equally qualified replacements for, key members of its management team. Demand for personnel with relevant expertise is intense due to the limited number of qualified individuals with suitable practical experience in the container ports industry. Although BCT has employment agreements with these key managers, the retention of their services cannot be guaranteed. Should they decide to leave BCT, it may be difficult to replace them promptly with other managers of sufficient expertise and experience or at all. Should BCT lose any of its key senior managers without prompt and equivalent replacement or if BCT is otherwise unable to attract or retain such qualified personnel for its requirements, this could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.

2.3.11 ***Failure of the operational information and technology systems at BCT's terminal could result in disruptions to the services it provides.***

The operational information and technology systems at BCT's terminal are designed to enable the terminal to use its infrastructure resources as efficiently as possible and monitor and control all aspects of its operations and terminal management. Although BCT's terminal is configured to keep its systems operational under abnormal conditions, including with respect to business processes and procedures, any failure or breakdown in these systems could interrupt its normal business operations and result in a significant slowdown in operational and management efficiency for the duration of the failure or breakdown. Any prolonged failure or breakdown could dramatically affect its ability to offer its transportation services to its customers. Similarly, any significant delays or interruptions in its loading or unloading of a customer's cargo could negatively affect its reputation as an efficient and reliable terminal operator. Any of the above factors could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, financial condition, results of operations and/or future prospects.

2.3.12 ***BCT could be adversely affected by strikes or work stoppages.***

BCT may experience disruptions to its operations due to strikes, labour disputes or other labour unrest. Any disruptions of transportation services due to strikes or other events could also impair customers'

ability to use BCT's terminal. Moreover, any labour interruptions in any of the ports that serve as starting points or final destinations for trade lanes calling at the BCT terminal could lower the shipping volume passing through the terminal. Such disruptions could adversely affect the business, financial condition, results of operations and prospects of BCT.

2.3.13 ***Foreign exchange risk.***

BCT's overseas operations are exposed, in the case of certain transactions not denominated in Euro, to foreign currency risk. Exchange gains and losses may arise on the realisation of amounts receivable. Fluctuations in foreign currency exchange rates could negatively affect the revenues of BCT and have a material adverse effect on its business, results of operations, financial condition or prospects.

2.4 Risks relating to EQR and its business:

2.4.1 ***Real estate investments are illiquid.***

EQR was formed to own and operate a commercial property in Riga, Latvia. As property is a relatively illiquid asset, combined with the fact that so far EQR has made only one material property investment, in Riga, such illiquidity may affect EQR's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiration of the lease term. These factors could have an adverse effect on EQR's financial condition and results.

2.4.2 ***Exposure to economic conditions.***

EQR is susceptible to adverse economic developments and trends both locally and overseas. Negative economic factors and trends could have a material impact on the business of EQR generally, and may adversely affect rental revenues, property values and results of operations. In addition, EQR may be impacted by increased competition from other similar developments and rising operating costs.

2.4.3 ***Exposure to general market conditions.***

The health of the property and commercial rental market may be affected by a number of factors such as the national economy, political developments, government regulations, changes in planning or tax laws, interest rate fluctuations, inflation, the availability of financing and yields of alternative investments. An increase in the supply of commercial space could impact negatively upon capital values and income streams of the property.

2.4.4 ***Dependence on tenants.***

EQR is dependent on tenants fulfilling their obligations under their lease agreements. The business, revenue and projected profits of EQR would be negatively impacted if tenants were to fail to honour their respective lease obligations.

2.4.5 ***EQR is subject to termination of lease agreements.***

EQR is subject to the risk that tenants may terminate or elect not to renew their respective lease, either due to the expiration of the lease term or due to an early termination of the lease. In cases of early termination by tenants prior to the expiration of the lease term there is a risk of loss of rental income if the tenant is not replaced in a timely manner.

2.4.6 ***EQR may be impacted by changes in laws and regulations.***

Changes in laws and regulations relevant to EQR's business and operations that may have an adverse impact on EQR's business, results of operations, financial condition or prospects could be enacted.

2.4.7 ***EQR may be subject to increases in operating and other expenses.***

EQR's operating and other expenses could increase without a corresponding increase in revenue. The factors which could materially increase operating and other expenses include:

i. **unforeseen increases in the costs of maintaining the property;**
ii. **material increases in operating costs that may not be fully recoverable from tenants; and**
iii. **specifically in respect of the 25-year lease agreement between EQR and McDonald's Latvia referred to in section 4.1.6 below, increases in the rate of inflation above the level of annual increments contracted with tenants.**

Such increases could have a material adverse effect on EQR's financial position and its ability to make distributions to its shareholders.

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

3.1 Directors

As at the date of this Registration Document, the Board of Directors of the Issuer is constituted as follows:

Marin Hili	Chairman & Chief Executive Officer
Edward Hili	Non-Executive Director
Michela Borg	Non-Executive Director
Kevin Saliba	Non-Executive Director
Lawrence Zammit	Independent Non-Executive Director
Nicholas Bianco	Independent Non-Executive Director

THE DIRECTORS OF THE ISSUER ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE ISSUER (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY.

The persons listed under the sub-heading "**Advisors to the Issuer**" have advised and assisted the Directors in the drafting and compilation of the Prospectus.

3.2 Advisors to the Issuer

Legal Counsel

Name:	Camilleri Preziosi
Address:	Level 3, Valletta Buildings, South Street, Valletta VLT 1103 – MALTA

Financial Advisors

Name:	Deloitte Services Limited
Address:	Deloitte Place, Mriehel Bypass, Mriehel BKR 3000 – MALTA

Sponsor

Name:	Charts Investment Management Service Limited
Address:	Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913 – MALTA

Manager and Registrar

Name:	HSBC Bank Malta p.l.c.
Address:	116, Archbishop Street, Valletta VLT 1444 – MALTA

3.3 Auditors

Name:	Deloitte Audit Limited
Address:	Deloitte Place, Mriehel Bypass, Mriehel BKR 3000 – MALTA

The annual statutory financial statements of the Issuer for the financial years ended 31 December 2011, 2012 and 2013 have been audited by Deloitte Audit Limited. Deloitte Audit Limited is a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the Laws of Malta).

4 INFORMATION ABOUT THE ISSUER AND THE GROUP

4.1 Historical development

4.1.1 Introduction

Full Legal and Commercial Name of the Issuer:	Mariner Finance p.l.c.
Registered Address:	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000
Place of Registration and Domicile:	Malta
Registration Number:	C 31514
Date of Registration:	30 May 2003
Legal Form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act
Telephone Number:	+356 2568 1205
Fax:	+356 2568 1222
Email:	info@mfplc.com.mt
Website:	www.mfplc.com.mt

The principal object of the Issuer is to carry on the business of a finance and investment company within the Group, in particular for the financing of acquisitions in seaport terminals. The Issuer does not itself carry on any trading activities apart from the raising of capital and the advancing thereof to members of the Group. Accordingly the Issuer is economically dependent on the operations and performance of BCT and, to a lesser extent, EQR.

4.1.2 Presentation of certain information & corporate restructuring

In November 2013, a corporate restructuring exercise took place pursuant to which 49,999 ordinary shares, of €10 each share, in the Company were transferred from Mariner Srl (formerly Mariner SpA) (a company registered in Italy with registration number 07839180630) to Mariner Capital Limited (a company registered in Malta with registration number C 11890), and the remaining 1 ordinary share (having a nominal value of €10) was transferred from HCL Holdings Limited (a company registered in Malta with registration number C 15213) to Mr Marin Hili. A further corporate restructuring exercise was carried out in April 2014, whereby the Issuer became the parent company of the Group as set out in section 4.1.4 below under the heading "Group organisational structure". As a result of the restructuring process, the Issuer became the direct parent of MBH whilst MBH became the direct parent of MFB and EQR. MFB remained the direct parent of BCT. Further information on the restructuring exercise carried out by the Group can be found on page 31 of the pro forma consolidated financial statements of the Issuer for the year ended 31 December 2013 as referred to in section 5.2 below.

The financial information contained in this Prospectus for the year ended 31 December 2013 is being presented on a pro forma consolidated basis to reflect the above restructuring process.

In this context, the information included in this Registration Document is based on the available information about the business and trading record of the Issuer and each of the companies forming part of the Group.

On 1 January 2014, Latvia joined the Eurozone and the Latvian Lat was replaced with the Euro. The conversion to Euro was effected at the official exchange rate set by the Bank of Latvia – €1:Ls 0.702804. The audited historical financial statements of Group companies registered and operating in Latvia had been prepared in the home currency – Latvian Lats. For comparative purposes, such financial information has been translated into Euro, being the functional currency of the Issuer, at the said official conversion rate of €1:Ls 0.702804.

4.1.3 *Overview of the Issuer's business*

The Issuer was incorporated on 30 May 2003, in advance of issuing a bond of €13 million having an interest rate of 5.75% and redeemable between 2008 and 2010, pursuant to an offering memorandum dated 17 June 2003. The bond was listed on the Official List. The net bond proceeds of the issue were on-lent to its then parent company, Mariner Srl, to fund the acquisition of a shareholding in Terminal Intermodale Venezia S.p.A. (a company registered in Italy with registration number 03280930276), a licensed operator of a seaport terminal in Venice, Italy, and to fund the 100 per cent equity interest in BCT.

Subsequent to the redemption of the above-mentioned bond on 15 July 2010, the principal activity of the Issuer was that of servicing a portfolio of available-for-sale investments.

Set out below are highlights extracted from the audited financial statements of the Issuer for the years ended 31 December 2011, 2012 and 2013. The Issuer considers that given the restructuring of the Group explained in section 4.1.2. above, the historical financial information specific to the Issuer is of limited relevance for the purpose of prospective investors making an informed decision as to whether to invest in the Bonds. Whilst the full sets of financial statements have been published and are available at the Issuer's registered office during the life of the Prospectus, the remainder of this section contains only limited financial information extracted therefrom. Extracts from the pro forma consolidated financial statements for the year ended 31 December 2013, which reflect the financial position of the Group as restructured, is set out in section 5.2 of this Registration Document.

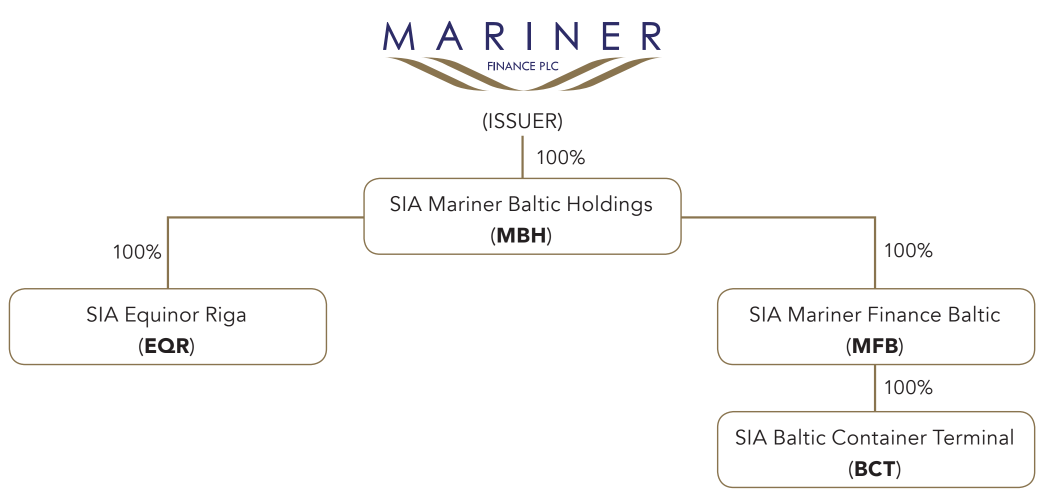
MARINER FINANCE PLC **Financial year ended 31 December**	**2013** **€**	**2012** **€**	**2011** **€**
Interest and investment income	9,194	37,076	2,965
Profit/loss for the year	3,625	23,278	(2,968)
Total assets	837,944	1,219,682	1,147,570
Total equity	784,004	715,193	652,455

During the three years under review, the Issuer generated investment income from a portfolio of foreign listed equity and debt securities, and earned interest income principally from amounts on-lent to Mariner Capital Limited.

4.1.4 *Group organisational structure*

The Issuer is a wholly owned subsidiary of Mariner Capital Ltd and has an authorised and issued share capital of €500,000 divided into 500,000 ordinary shares of €1 each, fully paid up.

As the holding company of the Group, the Issuer is ultimately dependent upon the operations and performance of the Group's operating companies. The organisational structure of the Group is illustrated in the diagram below.



A brief overview of each of the subsidiary companies forming part of the Group is provided in sections 4.1.5 to 4.1.8 below.

4.1.5 *SIA Mariner Baltic Holdings*

MBH is a private limited liability company incorporated and registered in Latvia with registration number 40103780617 and whose registered office is at 1, Merkela Street, Riga, LV – 1050, Latvia. It has an authorised and issued share capital of €2,800 divided into 2,800 ordinary shares of €1.00, fully paid up. The company was incorporated on 16 April 2014 principally to act as a holding company.

4.1.6 *SIA Equinor Riga*

EQR is a private limited liability company incorporated and registered in Latvia on 6 June 1995 with registration number 000325568 and whose registered office is at 1, Merkela Street, Riga, LV – 1050, Latvia. It has an authorised and issued share capital of €3,963,666 consisting of 283,119 ordinary shares of €14 each. The company owns and operates a commercial and office building located in Merkela Street, Riga, Latvia, consisting of a five storey building having *circa* 3,880m^2 of rentable space. The largest tenant is McDonald's Latvia, covering an area measuring 626m^2 for a 25 year term. Furthermore, the company has in place a number of mid- to long-term lease contracts with nine tenants for office space covering a total area of 1,819m^2 and four tenants providing hostel services.

Set out below are highlights taken from the audited financial statements of EQR for the years ended 31 December 2011, 2012 and 2013. The said statements have been published and are available at the Issuer's registered office.

SIA EQUINOR RIGA **Financial year ended 31 December**	**2013** **€'000**	**2012** **€'000**	**2011** **€'000**
Revenue	375	345	289
Operating profit	214	189	156
Profit for the year	190	165	133
Total assets	4,999	4,902	4,925
Total equity	3,321	3,130	2,966

Revenue generated by EQR mainly relates to rental income and the provision of other ancillary services. In FY2013 income increased to €375,000 (from €289,000 in FY2011 and €345,000 in FY2012) as a result of an increase in occupancy rate during this period from 71.2% to 100%. The property is situated in a prime location at a major intersection in central Riga, opposite the central railway station, and is in the vicinity of the main retail and commercial area of the city. Profit for the year increased by 15%, reflecting the increase in tenants to full occupancy, at €190,459 (FY2012: €164,697).

The assets of the company primarily include the above-mentioned property and building improvements amounting to an aggregate of €1.9 million, and receivables due from related parties of €2.9 million. Earlier this year the property was revalued to €5.1 million by an independent third party consultancy firm, Biznesa Konsultantu Grupa (EC Central Consultancy Register No. 100057) of Tirgonu iela 10 – 7, Riga LV-1050, Latvia (the "**Appraisal**"). EQR's outstanding bank borrowings as at 30 April 2014 amount to €40,355.

4.1.7 *SIA Mariner Finance Baltic*

MFB is a private limited liability company incorporated and registered in Latvia on 28 February 2013 with company registration number 40103643056 and having its registered office at 1, Merkela Street, Riga LV – 1050, Latvia. It has an authorised and issued share capital of Latvian Lats (LVL) 28,113,000 (*circa* €40,001,195) divided into 281,130 ordinary shares of LVL 10 (*circa* €142.29) per share, fully paid up. The company was set up on 28 February 2013 principally to act as the immediate parent company of BCT and to provide financing to its subsidiary company.

On 1 March 2013, the company acquired from Mariner Srl the 100% shareholding in BCT for €70 million. The terms of the purchase agreement include a cash consideration of €26 million, which was settled during the reporting period. The remaining balance of €44 million was settled through a set-off of debt balances with MFB's ultimate parent company, Mariner Capital Limited. During the period under review, MFB entered into a loan agreement with two Latvian credit institutions for an aggregate amount of €40 million which is repayable in April 2018. As at 31 December 2013 and 30 April 2014, the balance from such facility amounted to €34.9 million and €33.6 million respectively.

4.1.8 SIA Baltic Container Terminal

Introduction

BCT is a private limited liability company incorporated and registered in Latvia, with registration number 000328803 and whose registered office is at 1, Kundzinsala Street, Riga LV – 1822, Latvia. It has an authorised and issued share capital of €10,000,000 divided into 10,000,000 ordinary shares of €1 per share, fully paid up. The company was incorporated on 26 March 1996 and is principally engaged in the provision of port and related services at the port of Riga. BCT operates at the Riga Free Port No. 2 under a port concession license issued by the Riga Free Port Authority which expires in March 2016. During the year ended 31 December 2012, BCT negotiated an extension to its license for a further 35 years, up to April 2047. Apart from the license, the company had entered into a real estate purchase agreement on 30 April 2003 whereby the Riga Free Port Authority sold to BCT, which acquired, full ownership of all yards within the boundaries of the BCT terminal, excluding the quay, together with all underlying communications, five warehouses having an aggregate total area of approximately 14,000m^2, parking and paved areas surrounding said warehouses, and covered rail ramps.

Principal activities

BCT commenced activities on 1 May 1996, subsequent to the restructuring of a state-owned company, Riga Trade Port. It operates over an area of *circa* 557,000m^2. The BCT terminal has an annual container handling capacity of *circa* 450,000 TEUs, and offers the following services:

- **Quay-side operations** – including the berthing of vessels for the loading and/or unloading of containerised cargo using three ship-to-shore quay cranes. A fourth quay crane has been commissioned for delivery in Q3 2014. Ro-ro vessels, which are ships designed to carry wheeled cargo such as automobiles, trucks and trailers (roll-on/roll-off), may also be serviced.

- **Yard operations** – the terminal has a container storage yard comprising a capacity of *circa* 20,000 TEUs. In addition, the yard has 500 reefer points, that is, electrical outlets for the storage of temperature-controlled containers.

- **Gate and rail operations** – including the transfer of containers between the container terminal and inland road and rail networks. BCT has direct access to both road and rail networks, and operates its own rail handling facility which can service up to 64 rail platforms simultaneously.

- **Warehousing** – the terminal has *circa* 20,400m^2 of covered warehousing space for the storage of general cargo. The warehouse facilities have direct access to the rail and road networks for more efficient distribution of cargo.

- **Ancillary activities** – a wide range of value-added services are provided at the container terminal due to an optimised integrated logistics chain. Through a container freight station the terminal offers the service of, amongst others, stuffing and stripping of containers (packing/unpacking). In addition, BCT also provides engineering services for the repair of damaged containers.

Of the activities outlined above, the main operation at BCT is the loading and unloading of containers, which in 2013 represented 78% of total revenue generated by the company.

Principal clients

As an important node within the region's logistics network, BCT's clients include shipping lines, freight forwarders, third party logistics service providers, liner agents, inland carriers (such as road haulage companies), as well as end-customers. The container terminal services some of the world's largest shipping lines which call directly at the terminal as well as other shipping lines that use common feeder services. These include Maersk Line, Compagnie Maritime d'Affretement – Campagnie Generale Maritime (CMA-CGM) and Mediterranean Shipping Company (MSC), Unifeeder and Team Lines, as well as Evergreen, China Shipping Container Lines (CSCL), Nippon Yusen Kaisha (NYK) and Orient Overseas Container Line (OOCL). BCT has strong relationships with all the major shipping lines and their local representatives, and strives to maintain good relations with both existing and potential clients.

Financial information

The following table sets out the highlights of BCT's operating performance for the years indicated therein:

SIA Baltic Container Terminal **Financial year ended 31 December**	**2013**	**2012**	**2011**
Revenue (€'000)	17,648	19,762	19,888
Operating profit (€'000)	7,290	10,148	10,272
Profit for the year (€'000)	7,510	9,884	8,783
Operating profit margin (%)	41	51	52
Net profit margin (%)	43	50	44
Containers (thousand TEUs)	274	265	266
Revenue per TEU (€)	64	75	75
Number of ship calls	330	350	289

During the year ended 31 December 2012, BCT handled 265,054 TEUs and generated €19.8 million in revenue (equivalent to €75 per TEU). This result was broadly similar to that achieved in the prior year (FY2011, 266,161 TEU and €19.9 million in revenue). As to the number of ship calls, the terminal received 350 vessels in FY2012 which, although greater in number by 21%, had on average a lower TEU load when compared to FY2011.

FY2013 was a record year in terms of TEUs as the container terminal handled its highest volume of containers (273,650 TEUs). Despite this 3.2% increase, revenue declined by 10.7% to €17.6 million (FY2012: €19.8 million) and operating profit decreased by 28.3% to €7.3 million. Consequently, profit for the year also decreased from €9.9 million to €7.5 million (24.0%). The primary reason for this decrease was a decline in storage of NATO reefers previously deployed in Afghanistan calling at the terminal as a withdrawal of troops was underway, as a result of which revenue generated from cargo handling decreased from €3.6 million in 2012 to €1.8 million in 2013. Moreover, with a view to generating higher volumes, BCT offers certain volume discounts to clients. In FY2013, the effect of such volume discounts impacted revenues adversely by €0.4 million (2012: €0.09 million).

Capital expenditure

BCT's capital expenditure on a cash basis for 2011, 2012 and 2013 was €1.8 million, €1.2 million and €3.9 million respectively. The cash outflow was used to finance improvements to buildings and infrastructure at the terminal including, *inter alia*, the construction of additional warehousing capacity and new reefer storage area, and the purchase and renovation of equipment. It is a policy of management to maintain such capital expenditure programmes on an ongoing basis in order to ensure that the terminal continues to deliver an efficient and optimal service through the utilisation of modern equipment and latest technologies. Capital commitments for 2014, amounting to €3,325,000, relate to settlement of the balance due on bank financing put in place for a new ship-to-shore portal container crane for deployment at BCT.

Market and competition

BCT is located at the mouth of the river Daugava which runs through the centre of Latvia's capital Riga. Its favourable geographical location and direct access via road and rail to its market hinterland make it strategically located to serve as a gateway to meet container traffic demand, both to and from, the main industrial centres of Russia, other Commonwealth of Independent States (CIS) including Moscow, Kaluga, Novgorod, St Petersburg, Minsk, Kiev, Almaty and Tashkent, as well as Vilnius and Tallinn.

Latvia is a fast developing country located on the south-east coast of the Baltic Sea in the centre of the Baltic States (Lithuania, Latvia and Estonia). It represents the financial hub of the three nations and its favourable geopolitical environment provides excellent business opportunities for the four major growth markets bordering Latvia - Belarus, Estonia, Lithuania and Russia.

There are three main ports in Latvia - Venstpils, Riga and Liepaja - and these are mainly involved in transit cargo. The Freeport of Riga is by far the major container-handling port in Latvia at over 98.5% in 2013. In turn, within the port, BCT is the only specialised container terminal and in 2013 handled approximately 72% of all containers. There are two other terminals, Riga Central Terminal (RCT) and Riga Universal Terminal (RUT), having as their main fields of activity the handling of general and bulk cargoes. These handle relatively small volumes of containerised cargo. As a specialised container terminal BCT is considered to be better equipped in terms of infrastructure, superstructure and workforce to efficiently and productively handle containers.

Although the RUT and RCT do constitute a form of competition, BCT's main competitors are other specialised container terminals which are located in the neighbouring Baltic States and other eastern Baltic countries. These include: Klaipeda Container Terminal (KCT) and Klaipeda Smelte Container Terminal (KSCT) in Klaipeda, Lithuania; Transiidikeskuse (TK) in Tallinn, Estonia; the container terminals within the Port of St. Petersburg, Russia, and; Palokangas - EU Container Terminal and Mussalo Container Terminal within HaminaKotka Port, Finland. KCT, KSCT and TK, located in the neighbouring Baltic States, represent the most direct form of competition to BCT due to their similar geographical locations, hinterland markets, inland connections, geopolitical environment and general terminal facilities.

4.1.9 Business development strategy

The key elements of the Group's business development strategy are:

Continue to optimise operations

The Group expects to continue to optimise its operations by increasing the productivity at BCT, further investing in equipment, technological processes and infrastructure, and enhancing its customer service to consolidate customer relationships.

In order to maintain its competitive edge in the market, BCT's management reviews operation methodologies and performance on an on-going basis, monitors developments in the industry and ensures that it maintains excellent relations with its clients. Through this gathering of information, BCT is able to plan timely and strategic investments at the terminal with a view to maintaining its competitiveness.

Over the years, BCT has invested extensively in a sophisticated terminal operating system as well as other integrated components, such as the automated modules implemented at the gate, rail and quay interfaces of the container terminal, which have significantly improved productivity levels. Furthermore, in the last ten years, BCT invested in excess of €10 million in cranes and other yard equipment and the construction of warehousing facilities. In addition to said investments, BCT's management continuously promotes multi-skilling and other training programmes among its workforce so as to ensure that an optimal service is delivered to the terminal's customers.

Expansion of container terminal operations through selective acquisitions

The Group plans to expand and grow its container terminal operations by taking a selective and disciplined approach to acquisitions in regions serviced from the European port system and the Black Sea basin. The Group will evaluate potential targets against factors such as strategic location, hinterland accessibility and physical attributes of the site, and compare the respective investment returns. The expansion potential of targets, the ability to achieve operational control and the likely return for shareholders are among the key criteria for the Group's development which is clearly focused on the potential value to be created rather than the overall size of a potential project or acquisition. Any such investments would be subject to board and shareholder approval, and subject to the availability of adequate funding, due diligence and agreement on acceptable commercial terms.

5 TREND INFORMATION AND FINANCIAL PERFORMANCE

5.1 Trend information

There has been no material adverse change in the prospects of the Issuer since the date of publication of its latest audited financial statements.

At the time of publication of this Registration Document, the Issuer considers that its future performance is intimately related to that of BCT, its principal operating subsidiary company. The Issuer considers that generally BCT will be subject to the normal business risks associated with the container terminal industry and does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of its business and that of the Mariner Group, at least with respect to the current financial year and the forecast year ending 31 December 2015.

Prior to the global decrease in container throughput in 2009 as a result of the global economic crisis, the volume of global and European container throughput had increased continuously between 2000 and 2008 as a consequence of the strong increases in world and European trade. Indeed, throughout the past decade, save for 2009 as aforesaid, BCT consistently improved its performance year-on-year. Over the entire period, BCT achieved a compounded average volume growth rate of 7.8%, from 129,457 TEUs handled in 2003 to 273,650 TEUs registered in 2013. This trend is likely to continue as more bulk cargo is containerised, and increased trading takes place between Asia and Europe, and also within Europe itself. The Directors believe that Russia's container market will continue to play an important role in the Baltic Sea region, which is still well behind other more developed countries, with only approximately 41 TEUs per 1,000 capita in 2012 (this being 2.2 times lower than the rate for the global market).

As to achieved income, the container terminal experienced a decline in cargo storage revenue in 2013 and a downward shift in rates as negotiated with a number of shipping lines. Following the decline in 2013, rates for 2014 have stabilised and management expects to secure marginally improved rates going forward as of 2015. In order to maintain competitiveness and an above market rate, BCT intends to retain its investment in equipment and infrastructure in order to continually enhance the terminal's offerings, and to optimise the level of service provided to customers.

With respect to EQR, the commercial property in Riga is at present fully occupied and therefore management is primarily involved in its upkeep with a view to retaining current tenants and attracting prospective clients at better rates in the eventuality of expiring lease agreements. Due to its central location and good demand for commercial space in the city, management is optimistic that full occupancy can be retained in the foreseeable future.

5.2 Key financial review

The following financial information is extracted from the pro forma consolidated financial statements of the Issuer for the year ended 31 December 2013, a full version of which is available for inspection as indicated in section 15 below. The aforesaid pro forma financial information has been prepared to take into account the changes that have taken place in the structure of the Group as at 31 December 2013 as described in section 4.1.2 of this Registration Document.

The pro forma consolidated financial information has been prepared for illustrative purposes only. Because of its nature, the pro forma consolidated financial information addresses a hypothetical situation and therefore does not represent the Group's actual financial position or results as at 31 December 2013. In the basis of preparation of the pro forma consolidated financial information, it has been assumed that the Issuer has controlled the Group as from 1 January 2013.

The audited financial statements of each individual company forming part of the Group for the year ended 31 December 2013, other than MBH which was incorporated in April 2014, have been published and are available at the registered office of the Issuer.

Mariner Finance p.l.c.
Pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2013

	(€'000)
Revenue	17,648
Net operating costs	(8,859)
EBITDA	**8,789**
Depreciation and amortisation	(1,574)
Net finance costs	(143)
Profit before tax	**7,072**
Taxation	(259)
Profit after tax	**6,813**

The pro forma consolidated income statement primarily comprises the financial performance of BCT and EQR, and is explained in more detail in the pro forma consolidated financial statements of the Issuer for the year ended 31 December 2013, a full version of which is available for inspection as indicated in section 15 below.

Mariner Finance p.l.c.
Pro forma consolidated statement of financial position as at 31 December 2013

	(€'000)
ASSETS	
Non-current assets	49,930
Current assets	5,213
Total assets	**55,143**
EQUITY AND LIABILITIES	
Total equity	**15,695**
Liabilities	
Non-current liabilities	33,722
Current liabilities	5,726
Total liabilities	**39,448**
Total equity and liabilities	**55,143**

Total assets of the Group primarily comprise property, investment property and plant and equipment amounting to €36.1 million, cash and cash equivalents amounting to €1.2 million, and other current assets amounting to €4.1 million. The primary property and plant held by the Group includes warehousing and other permanent structures, and the port plant and equipment are situated on the quays and adjoining land leased to BCT. Investment property amounting to €5.2 million is held by EQR.

Total assets also include goodwill on acquisition of subsidiary entities amounting to approximately €13.2 million.

Total liabilities of the Group primarily comprise bank borrowings amounting to €34.9 million and net amounts due to the direct parent of the Issuer amounting to €2.0 million.

The equity of the Group primarily comprises the share capital of the Issuer amounting to €0.5 million, the profit after tax for the year ended 31 December 2013 of the Group as shown on the pro forma consolidated statement of profit or loss and other comprehensive income, and a subordinated loan due to the direct parent of the Issuer amounting to €10.0 million.

Mariner Finance p.l.c.
Pro forma consolidated statement of cash flows for the year ended 31 December 2013

	(€'000)
Net cash from operating activities	8,577
Net cash used in investing activities	(29,905)
Net cash from financing activities	18,816
Taxation paid	(1,017)
Net movement in cash and cash equivalents	**(3,529)**
Cash and cash equivalents at beginning of year	4,686
Cash and cash equivalents at end of year	**1,157**

For the year ended 31 December 2013, the Group obtained net bank refinancing amounting to €26.1 million following the repayment of previous bank borrowings. The Group used this net refinancing together with cash generated from operating activities primarily to pay €26.0 million in the transactions for the acquisition of its primary subsidiary entities BCT and EQR. The Group also utilised approximately €3.9 million for the acquisition of tangible assets.

6 MANAGEMENT

6.1 The Board of Directors of the Issuer

The Issuer is managed by a board of six directors entrusted with the overall direction and management of the Issuer. The Board currently consists of an Executive Chairman, three Non-Executive Directors and two independent Non-Executive Directors. The business address of each Director is the registered office of the Issuer.

6.1.1 Executive Director

Marin Hili is the sole Executive Director of the Issuer and is entrusted with the Company's day-to-day management. He is also responsible for the identification and execution of new investment opportunities and the funding of the Group's acquisitions. Marin Hili provides his expertise to the entire Group through his appointment on the board of directors of other Group companies. He is supported in this role by the senior management team detailed in section 7 below.

6.1.2 Non-Executive Directors

The Non-Executive Directors constitute a majority on the Board and their main functions are to monitor the operations of the Executive Director and his performance, as well as to review any proposals tabled by the Executive Director.

6.1.3 Curriculum vitae of Directors of the Issuer

Marin Hili
Marin Hili is Chairman and Chief Executive Officer of the Issuer, and is also Chairman and Chief Executive Officer of Mariner Capital Limited, Chairman of BCT and Terminal Intermodale Venezia, and a director of Durres Container Terminal. Marin has acquired a wealth of knowledge through his experience in port development, investment and operations.

In 1987 Marin was appointed Chairman by the Maltese Government to develop the Malta Freeport into a commercially viable hub – a post he held for 15 years during which he developed the port from inception to a multi-million TEU transhipment hub. Additionally, he held the post of Chairman of the Privatisation Unit in Malta.

Marin's business experience extends to his role as Chairman of Hili Company Limited where he set the family group on a path of strategic expansion, developing a successful international conglomerate. Here, he expanded the group's purview from its traditional roots in shipping to related activities such as international trade, trade finance, petrochemical and construction supplies, property development, franchising (McDonald's), real estate and construction engineering. Marin was decorated by the State as Member of the National Order of Merit (MOM) in 2002 in recognition of his successful contribution to the development of the Malta Freeport.

Edward Hili
Edward is a Non-Executive Director of the Issuer. He is also Executive Director of Mariner Capital Limited where his main responsibilities encompass corporate finance, business development and strategy. Edward joined the company as a financial analyst in 2006 and subsequently served as Business and Finance Manager. He also serves on the board of BCT and is the co-founder and Managing Director of Trumpington Street Capital, the investment management arm of Marin Hili Holdings. Edward graduated Master of Finance from the University of Cambridge and obtained his undergraduate degree, Bachelor of Commerce (Hons) in Banking and Finance, from the University of Malta. He is also a Chartered Certified Accountant.

Michela Borg
Michela is a Non-Executive Director of the Issuer. She is also Executive Director of Mariner Capital Limited where her main responsibilities include research and analyses of industry markets as well as corporate marketing. She initially joined Mariner Capital Limited as a research and development analyst in 2008 and subsequently served as Research and Development Manager. She also serves on the board of BCT. Michela graduated Master of Medical Genetics from Newcastle University, UK and obtained her undergraduate degree, Bachelor of Science (Hons) in Chemistry and Biology, from the University of Malta.

Kevin Saliba
Kevin is a certified public accountant and auditor by profession. He joined the Hili Group of Companies in 2001 as Finance Manager of Baltimore Consulting Limited where he specialised in offshore companies and trade finance. In 2004 Kevin moved to Venice and was appointed CFO of Terminal Intermodale Venezia. Here he developed his knowledge of the port industry, terminal operations and the Italian financial sector. Kevin held this position for over three years during which time he was responsible for fulfilling the financing requirements for the company's capital expenditure in line with its expansion programme. In 2007 Kevin returned to Malta as Group Financial Controller of the Hili Group of Companies. Kevin graduated from the University of Malta with a Bachelor of Commerce in 1996. Two years later he attained his Bachelor in Accountancy (Hons) Degree from the same university.

Lawrence Zammit
Lawrence Zammit is a Founding Partner and a Director of MISCO. He holds a number of directorships in both private and public companies. At MISCO Lawrence has developed the market research division of the organisation and is also a trainer as well as a consultant to a number of business organisations, focussing on strategic issues related to business development, leadership, human resources development and management, and marketing. He is a former chairman of the Employment and Training Corporation, Malta International Airport plc, Air Malta plc and Malta Enterprise. He is currently chairman of the Board of Directors of Grand Harbour Marina plc, Altas Insurance PCC Limited and Vilhena Funds Sicav plc. He is also a director of the firm of accountants 3a, PAVI Shopping Complex plc, Heritage Insurance Management (Malta) Ltd, and Corporate Identities Limited.

Nicholas Bianco
Nicholas Bianco joined Mediterranean Bank p.l.c. as a Corporate Credit Analyst in November 2012, his primary role being the evaluation of prospective primary and secondary market investments within the European leveraged finance universe. Before Mediterranean Bank p.l.c., he worked as a Research Analyst at Oceanwood Capital Management, an event-driven hedge fund where he was part of a small team analysing special situations. Prior to that, he worked at Lombard Bank p.l.c. between June 2008 and February 2010, where most of his tenure was spent within the Operations Department. Nicholas graduated from the University of Malta with a Bachelor of Commerce (Hons) in Banking and Finance in 2008, and is a CFA charter holder.

6.1.4 Service contracts of the Issuer's Directors

None of the Directors of the Issuer have a service contract with the Issuer.

6.1.5 Aggregate emoluments of the Issuer's Directors

In accordance with the Issuer's Articles of Association, the total emoluments payable to all Directors, whether as fees and/or salaries by virtue of holding employment with the Issuer, is subject to shareholder approval at general meeting.

None of the Directors have received emoluments for the financial year ended 31 December 2013.

6.1.6 Loans to the Issuer's Directors

There are no loans outstanding by the Issuer to any of its Directors nor any guarantees issued for their benefit by the Issuer.

6.1.7 Removal of the Issuer's Directors

A Director may, unless he resigns, be removed by the shareholder appointing him or by an ordinary resolution of the shareholders as provided in sections 139 and 140 of the Act.

6.1.8 Powers of the Issuer's Directors

By virtue of the Articles of Association of the Issuer the Directors are empowered to transact all business which is not by the Articles expressly reserved for the shareholders in general meeting. The powers of the Directors of the Issuer are better described in section 12.2(d) below.

6.2 Employees of the Group

As at 31 December 2013, the Group had 199 employees (2012: 200), of which 18 (2012: 20) staff members formed part of management and administration, whilst 120 (2012: 120) employees were involved in operations and distribution. The remaining 61 (2012: 60) employees form part of the security and technical departments of the Group. The Issuer does not have any employees of its own.

7 MANAGEMENT STRUCTURE

7.1 General

The Issuer is an investment company which does not require an elaborate management structure. Marin Hili has been appointed Chairman and Chief Executive of the Issuer. The Chief Executive Officer is responsible for the day-to-day management of the Group. In the execution of the strategic direction, investment and management oversight of the Group, he is assisted by members of senior management of the operating Group companies having the appropriate experience and knowledge required in particular cases arising from time to time.

The Directors believe that the current organisational structures are adequate for the current activities of the Company.

The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance.

7.2 Conflict of interest

Marin Hili, Edward Hili and Michela Borg are Directors of the Issuer and its parent company Mariner Capital Limited. Kevin Saliba, a Director (and company secretary) of the Issuer, is also the Chief Financial Officer (and company secretary) of Mariner Capital Limited. Conflicts of interest could potentially arise in relation to transactions involving the Issuer and Mariner Capital Limited.

The Audit Committee of the Issuer has the task of ensuring that any potential conflicts of interest that may arise at any moment, pursuant to these different roles held by Directors, are handled in the best interest of the Issuer and according to law. The majority held by the independent Non-Executive Directors on the audit committee provides an effective measure to ensure that transactions vetted by the Audit Committee are determined on an arms-length basis. To the extent known or potentially known to the Issuer as at the date of this Registration Document, there are no potential conflicts of interest between any duties of the Directors towards the Issuer and their private interests and/or their other duties which require disclosure in terms of the Regulation.

7.3 Major shareholders of the Issuer

Mariner Capital Limited currently holds 49,999 of the Issuer's 50,000 ordinary shares in issue. The Group is wholly owned directly or indirectly through Mariner Capital Limited by Marin Hili as to 70%, whilst the remaining 30% is equally divided between Edward Hili and Michela Borg. In terms of the Memorandum and Articles of Association of the Issuer, members are entitled to appoint one director for every 25% of the issued share capital of the Issuer held, putting it in a position to appoint a majority of the Directors of the Issuer and accordingly have control over the management and operations of the Issuer.

The Issuer adopts measures in line with the Code of Corporate Governance to ensure that the relationship with Mariner Capital Limited is retained at arm's length, including adherence to Rules on Related Party Transactions requiring the sanction of the Audit Committee, in which the majority is constituted by the two independent Non-Executive Directors of the Issuer.

8 AUDIT COMMITTEE PRACTICES

The terms of reference of the Audit Committee include, *inter alia*; its support to the Board of the Issuer in its responsibilities in dealing with issues of risk; control and governance; and associated assurance. The Board has set formal terms of establishment and the terms of reference of the Audit Committee that establish its composition, role and function, the parameters of its remit as well as the basis for the processes that it is required to comply with. The Audit Committee is a sub-committee of the Board and is directly responsible and accountable to the Board. The Board reserves the right to change these terms of reference from time to time.

Briefly, the Committee is expected to deal with and advise the Board on:

a) its monitoring responsibility over the financial reporting processes, financial policies and internal control structures;
b) maintaining communications on such matters between the Board, management and the independent auditors; and
c) preserving the company's assets by understanding the company's risk environment and determining how to deal with those risks.

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

The Audit Committee is composed of Kevin Saliba, Lawrence Zammit and Nicholas Bianco, all Non-Executive Directors of the Company. The Audit Committee is chaired by Kevin Saliba. In compliance with the Listing Rules, Lawrence Zammit is the independent Non-Executive Director considered by the Board to be the director competent in accounting and/or auditing matters. The CVs of the said Directors may be found in section 6.1.3 above.

9 COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

Prior to the present issue, the Company was not regulated by the Listing Rules and accordingly was not required to comply with the Code of Principles of Good Corporate Governance forming part of the Listing Rules (the "**Code**"). As a consequence of the present issue of securities in accordance with the terms of the Listing Rules, the Issuer is required to comply with the provisions of the Code. The Issuer supports the Code and is confident that the application thereof shall result in positive effects accruing to the Issuer.

As at the date hereof, the Board considers the Company to be in compliance with the Code save for the following exceptions:

- **Principle 2.1**: the roles of Chairman and Chief Executive Officer are both carried out by Marin Hili. Although the Code recommends that the role of Chairman and Chief Executive Officer are kept separate, the Directors believe that Mr Hili should occupy both positions, particularly in view of the experience and stature he brings to both the Board and executive management team of the Company. In terms of Principle 3.1, which calls for the appointment of a senior independent Director where the roles of Chairman and Chief Executive Officer are carried out by the same person, the Board has appointed Lawrence Zammit as the indicated senior independent Director;

- **Principle 4**: the Issuer is an investment company which does not require an elaborate management structure. Its Chief Executive Officer is responsible for the day-to-day management of the Group, assisted, when necessary from time to time, by members of the senior management teams of the Group companies. The Directors believe that the current organisational structures are adequate for the current activities of the Company. The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance;

- **Principle 6**: full adherence by the Issuer with the provisions of Principle 6 of the Code is not deemed necessary taking into account the size, nature and operations of the Issuer. The Issuer does not feel the need to establish and/or implement a succession plan for senior management in light of its existing organisational structures. The Directors will maintain the existing arrangements under continuous review to ensure that such meet the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance;

- **Principle 8**: the Issuer does not have a Remuneration Committee as recommended in Principle 8. The Issuer does not have any employees other than the Directors and the company secretary;

- **Principle 8**: the Issuer does not have a Nomination Committee as recommended in Principle 8. Appointments to the board of directors of the Issuer are determined by the shareholders of the Company in accordance with the Memorandum and Articles of Association of the Issuer. The Issuer considers that the members of the Board provide the level of skill, knowledge and experience expected in terms of the Code; and

- **Principle 11**: as at the date of this Prospectus, the majority of Directors of the Issuer are Directors of its parent company Mariner Capital Limited and ultimate beneficial shareholders of the Group, and as such are susceptible to conflicts arising between the potentially diverging interests of said shareholders and the Group as well as conflicts of interest which may arise in relation to transactions involving the Issuer and Mariner Capital Limited. Kevin Saliba, a director and company secretary, is also the Chief Financial Officer of Mariner Capital Limited. The audit committee of the Issuer has the task of ensuring that any potential conflicts of interest that may arise at any moment, pursuant to these different roles held by Directors, are handled in the best interest of the Issuer and according to law. To the extent known or potentially known to the Issuer as at the date of this Registration Document, there are no potential conflicts of interest between any duties of the Directors and their private interests and/or their other duties which require disclosure in terms of the Regulation.

10 HISTORICAL INFORMATION

The audited financial statements of the Issuer for the three financial years ended 31 December 2011, 2012 and 2013 have been audited by Deloitte Audit Limited, copies of which are available from the Issuer's registered office.

The financial information of the Group is included in the pro forma consolidated financial statements for the financial year ended 31 December 2013. The aforesaid statements, together with the audited financial statements of each of the Group companies have been published and are available at the Issuer's registered office.

There were no significant changes to the financial or trading position of the Issuer or the Group since the end of the financial period to which the pro forma consolidated financial statements referred to in the above paragraph relate.

11 LITIGATION

There have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the period covering twelve (12) months prior to the date of the Prospectus which may have, or have had in the recent past significant effects on the financial position or profitability of the Issuer or of the Group.

12 ADDITIONAL INFORMATION

12.1 Share capital

The Issuer's current authorised and issued share capital is €500,000, divided into 50,000 ordinary shares of €10 each, fully paid up. The issued share capital of the Issuer is divided as follows: Mariner Capital Limited (C 11890) holds 49,999 ordinary shares of €10 each, and Marin Hili holds 1 ordinary share of €10.

The authorised share capital of the Issuer may be increased by an ordinary resolution of the shareholders in general meeting. Shares can be issued when, and under those conditions, decided by a resolution of the shareholders in general meeting.

It is not expected that shares in the Issuer shall be issued during the next financial year, whether fully or partly paid up, in consideration for cash or otherwise.

The shares of the Issuer are not listed on the MSE, and no application for such listing has been made to date.

There is no capital of the Issuer which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Issuer is to be put under option.

12.2 Memorandum and articles of association

(a) Objects

The M&As of the Issuer (C 31514) are registered with the Malta Registry of Companies. The main objects of the Issuer include, *inter alia*: acting as a holding company and investing in any other company, partnership or business; the provision of management, administration, technical, financial and professional services and the provision of human resources to Group and other companies relative or incidental to its business; constructing, developing and dealing in property; carrying on the business of a finance and investment company including the ownership, development, operation, construction and financing of ports or port operations or real estate property, including the financing of or re-financing of the funding requirements of the business of the Company's subsidiaries and/or associated companies. Clause 3 of the Memorandum of Association contains the full list of objects of the Company. A copy of the M&As of the Issuer may be inspected during the lifetime of this Registration Document at the registered office of the Issuer and at the Registry of Companies.

(b) Voting Rights

The holders of the ordinary shares in the Issuer are entitled to vote at meetings of the shareholders of the Company on the basis of one vote for each share held.

(c) Appointment of Directors

At present, in terms of the M&As, the Board of the Issuer shall consist of not more than seven Directors who are appointed in accordance with articles 55.3 and 55.4 of the articles of Association of the Company, as follows:

55.3 In the case of Directors appointed by a particular class of Equity Securities such appointment shall be made by a Member or Members holding in aggregate more than fifty per centum (50%) in nominal value of the Equity Securities represented and entitled to vote at the meeting of the holders of the Equity Securities of that class. All other directors shall be appointed by means of an ordinary resolution of the shareholders of the Company in general meeting. Should any Equity Securities of the Company be listed on an Exchange then the Directors of the Company shall be nominated and appointed in accordance with the provisions of articles 55.4.

55.4 Should any Equity Securities of the Company be listed on an Exchange, the procedure for the appointment of Directors shall be as follows:

55.4.1 Any Member or number of Members who in the aggregate hold not less than 100,000 shares having voting rights in the Company shall be entitled to nominate a fit and proper person for appointment as a Director of the Company;

55.4.2 In addition to the nominations that may be made by Members pursuant to the provisions of Article 55.4.1, the Directors themselves or a committee appointed for the purpose by the Directors, may make recommendations and nominations to the Members for the appointment of Directors at the next following annual general meeting.

55.4.3 For the purpose of enabling the shareholders to make nominations in accordance with the provisions of Article 55.4.1, the Company shall grant a period of at least fourteen (14) days to the Members to nominate candidates for appointment as Directors. Such notice may be given by the publication of an advertisement in at least two (2) daily newspapers. All such nominations, including the candidate's acceptance to be nominated as director, shall on pain of disqualification be made on the form to be prescribed by the Directors from time to time and shall reach the Office (or such other place determined by the Directors) not later than fourteen (14) days after the publication of the said notice (the "Submission Date") PROVIDED THAT the Submission Date shall not be less than fourteen (14) days prior to the date of the meeting appointed for such election. Nominations to be made by the Directors or any sub-committee of the Directors appointed for that purpose shall also be made by not later than the date established for the closure of nominations to shareholders pursuant to this Article.

55.4.4 In the event that there are either less nominations than there are vacancies on the Board or if there are as many nominations made pursuant to either Article 55.4.1 or 55.4.2 as there are vacancies on the Board, then each person so nominated shall be automatically appointed a Director.

55.4.5 In the event that there are more nominations made pursuant to the provisions of Articles 55.4.1 and 55.4.2, then an election shall take place in accordance with the provisions of these Articles.

(d) Powers of Directors

The Directors are vested with the management of the Issuer, and their powers of management and administration emanate directly from the M&As and the law. The Directors are empowered to act on behalf of the Issuer and in this respect have the authority to enter into contracts, sue and be sued in representation of the Issuer. In terms of the M&As they may do all such things that are not by such M&As reserved for the shareholders in general meeting.

Directors may not vote on any proposal, issue, arrangement or contract in which they have a personal material interest.

The maximum limit of aggregate emoluments of the Directors is, in terms of the M&As , to be established by the shareholders in general meeting. Within that limit the Directors shall have the power to vote remuneration to themselves or any number of their body. Any increases in the maximum limit of Directors' aggregate emoluments have to be approved by the general meeting. The Directors may also vote on pensions, gratuities or allowances on retirement to any Director who has held any other salaried office with the Issuer, or to such Director's widow or dependants. However, any such proposal shall have to be approved by the shareholders in general meeting.

In terms of the M&As, the Board may exercise all the powers of the Issuer to borrow money and give security therefore, subject to the limit established in the M&As and the over-riding authority of shareholders in general meeting to change, amend, restrict and or otherwise modify such limit and the Directors' borrowing powers.

There are no provisions in the Issuer's M&As regulating the retirement or non-retirement of Directors over an age limit.

13 MATERIAL CONTRACTS

The Issuer has not entered into any material contracts which are not in the ordinary course of its business and which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to security holders in respect of the securities being issued pursuant to, and described in, the Securities Note forming part of the Prospectus.

14 INTEREST OF EXPERTS AND ADVISORS

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

The financial analysis summary has been included in the form and context in which it appears with the authorisation of Charts Investment Management Service Limited of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, Malta, that has given and has not withdrawn its consent to the inclusion of such report herein. Charts Investment Management Service Limited does not have any material interest in the Issuer. The Issuer confirms that the financial analysis summary has been accurately reproduced in the 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.

The Issuer confirms that information sourced from the Appraisal has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading.

15 DOCUMENTS AVAILABLE FOR INSPECTION

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

(a) Memorandum and Articles of Association of the Issuer;
(b) Audited Financial Statements of the Issuer, EQR and BCT for the years ended 31 December 2011, 2012 and 2013; and of MFB for the period ended 31 December 2013;
(c) Pro forma Consolidated Financial Information of the Issuer for the year ended 31 December 2013;
(d) The letter of confirmation drawn up by Deloitte Services Limited dated 2 June 2014;
(e) Financial Analysis Summary prepared by Charts Investment Management Service Limited dated 2 June 2014.

Items (a), (c) and (e) above are also available for inspection in electronic form on the Issuer's website at www.mfplc.com.mt

SECURITIES NOTE

This document is a Securities Note issued in accordance with the provisions of Chapter 4 of the Listing Rules published by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of the 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014. This Securities Note is issued pursuant to the requirements of Listing Rule 4.14 of the Listing Rules and contains information about the Bonds being issued by Mariner Finance p.l.c. Application has been made for the admission to listing and trading of the Bonds on the Official List of the Malta Stock Exchange. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Issuer.

Dated 2 June 2014

SECURITIES NOTE

In respect of an Issue of €30 million 5.3% Unsecured Bonds 2024
(or €35 million in the event of exercise of the Over-Allotment Option)
of a nominal value of €100 per Bond issued at par by

Mariner Finance p.l.c.
A public limited liability company registered in Malta
with company registration number C 31514

ISIN: MT0000271214

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

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

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

Manager and Registrar	Legal Counsel	Sponsor
HSBC	CAMILLERI PREZIOSI ADVOCATES	CHARTS WEALTH MANAGEMENT • CORPORATE BROKING

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IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON AN ISSUE BY MARINER FINANCE PLC (THE "**ISSUER**") OF €30 MILLION (OR €35 MILLION IN THE EVENT OF EXERCISE OF THE OVER-ALLOTMENT OPTION) BONDS 2024 OF A NOMINAL VALUE OF €100, ISSUED AT PAR AND BEARING INTEREST AT THE RATE OF 5.3% PER ANNUM, PAYABLE ANNUALLY ON 3 JULY OF EACH YEAR. THE NOMINAL VALUE OF THE BONDS WILL BE REPAYABLE IN FULL AT MATURITY ON THE REDEMPTION DATE UNLESS OTHERWISE PREVIOUSLY REPURCHASED FOR CANCELLATION.

THIS SECURITIES NOTE CONTAINS INFORMATION ABOUT THE ISSUER AND THE BONDS IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES, THE ACT AND THE REGULATION, AND SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT ISSUED BY THE ISSUER.

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

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR BONDS BY ANY PERSON IN ANY JURISDICTION (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION.

IT IS THE RESPONSIBILITY OF ANY PERSONS IN POSSESSION OF THIS DOCUMENT AND ANY PERSONS WISHING TO APPLY FOR ANY 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 APPLICANTS FOR ANY SECURITIES THAT MAY 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 COUNTRY OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE ISSUE IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE BONDS OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF SAID DIRECTIVE, THE BONDS CAN ONLY BE OFFERED TO "QUALIFIED INVESTORS" (AS DEFINED IN SAID DIRECTIVE) AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF SAID DIRECTIVE.

THE BONDS HAVE NOT BEEN NOR WILL THEY BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933 AS AMENDED, OR UNDER ANY FEDERAL OR STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, OR ANY AREA SUBJECT TO ITS JURISDICTION (THE "U.S.") OR TO OR FOR THE BENEFIT OF, DIRECTLY OR INDIRECTLY, ANY U.S. PERSON (AS DEFINED IN REGULATION "S" OF THE SAID ACT). FURTHERMORE THE ISSUER WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT, 1940 AS AMENDED AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS SET OUT THEREIN.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES AND TO THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE ACT.

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

THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THE PROSPECTUS. 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.

ALL THE ADVISORS TO THE ISSUER NAMED IN THE PROSPECTUS UNDER THE HEADING "IDENTITY OF DIRECTORS, ADVISORS AND AUDITORS OF THE ISSUER" UNDER SECTION 3 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS ISSUE AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

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

1 DEFINITIONS

Words and expressions and capitalised terms used in this Securities Note shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words, expressed and capitalised terms as indicated in the Registration Document forming part of the Prospectus. Additionally, the following words and expressions as used in this Securities Note 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);
Applicant/s	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
Application/s	the application to subscribe for Bonds made by an Applicant/s by completing an Application Form/s and delivering same to the Registrar or to any of the Authorised Financial Intermediaries;
Application Form	the forms of application of subscription for Bonds, specimens of which are contained in Annex II of this Securities Note;
Authorised Financial Intermediaries	the licensed stockbrokers and financial intermediaries listed in Annex I of this Securities Note;
BCT	SIA Baltic Container Terminal, a company registered under the laws of Latvia with company registration number 000328803 and having its registered office at 1, Kundzinsala Street, Riga LV – 1822, Latvia;
Bond(s)	the €30 million (or €35 million in the event of exercise of the Over-Allotment Option) bonds due 2024 of a face value of €100 per bond redeemable at their nominal value on the Redemption Date, bearing interest at the rate of 5.3% per annum, as detailed in this Securities Note;
Bondholder	a holder of Bonds;
Bond Issue	the issue of the Bonds;
Bond Issue Price	the price of €100 per Bond;
Business Day	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
Company, Issuer or **Mariner**	Mariner Finance p.l.c., a company registered under the laws of Malta with company registration number C 31514 and having its registered office at Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta;
CSD	the Central Securities Depository of the Malta Stock Exchange established pursuant to Chapter 4 of the Malta Stock Exchange Bye-Laws, having its address at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta;
Directors or **Board**	the directors of the Company whose names and addresses are set out in section 3.1 of the Registration Document;
EQR	SIA Equinor Riga, a company registered under the laws of Latvia with company registration number 000325568 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
Euro or **€**	the lawful currency of the Republic of Malta;
Exchange, Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta), having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing company registration number C 42525;
Group	Mariner Finance p.l.c. and any company or entity in which Mariner Finance p.l.c. has a controlling interest, as further described in section 4.1.4 of the Registration Document;
Interest Payment Date	3 July of each year between and including each of the years 2015 and 2024, provided that any such day is not a Business Day such Interest Payment Date will be carried over to the next following day that is not a Business Day;
Issue Date	14 July 2014:
Issue Period	the period between 23 June 2014 to 27 June 2014 during which the Bonds are on offer;
Listing Authority	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act (Cap. 345 of the Laws of Malta) by virtue of Legal Notice 1 of 2003;
Listing Rules	the listing rules of the Listing Authority;
Manager and Registrar	HSBC Bank (Malta) p.l.c. (C 3177) of 116, Archbishop Street, Valletta VLT 1444, Malta;
Memorandum and Articles of Association or **M&As**	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus;

MFB	SIA Mariner Finance Baltic, a company registered under the laws of Latvia with company registration number 40103643056 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
MFSA	the Malta Financial Services Authority, incorporated in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta);
Official List	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the Malta Stock Exchange Bye-Laws;
Over-Allotment Option	the option of the Issuer to elect to increase the original Bond Issue by an additional €5 million 5.3% Bonds 2024 in the event of over-subscription of the original Bond Issue;
Placement Agreement	the agreement between the Sponsor and the Issuer to subscribe for Bonds in accordance with the Securities Note for the purpose of distributing to or placing with their underlying customers and other financial intermediaries any portion of the Bonds;
Prospectus	collectively the Registration Document, Summary Note and this Securities Note (each as defined in this Securities Note);
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as may be amended from time to time;
Redemption Date	3 July 2024;
Redemption Value	the nominal value of each Bond (€100 per Bond);
Registration Document	the registration document issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Regulation	Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus and dissemination of advertisements, as amended by: Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 as regards to regulatory technical standards for publication of supplements to the prospectus;
Securities Note	this document in its entirety;
Sponsor	Charts Investment Management Service Limited (C 7944) of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, Malta, an authorised financial intermediary licensed by the MFSA and a Member of the MSE;
Summary Note	the summary note issued by the Issuer dated 2 June 2014, forming part of the Prospectus;
Terms and Conditions	the terms and conditions of the Bond Issue as contained in section 7 of this Securities Note.

2 RISK FACTORS

2.1 GENERAL

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

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

AN INVESTMENT IN THE BONDS INVOLVES CERTAIN RISKS INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS BEFORE DECIDING TO MAKE AN INVESTMENT IN THE BONDS. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES.

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

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

2.2 FORWARD LOOKING STATEMENTS

This Securities Note may contain "forward looking statements" which include, among others, statements concerning matters that are not historical facts and which may involve projections of future circumstances. These forward looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Issuer's Directors. No assurance is given that future results or expectations will be achieved.

2.3 RISKS RELATING TO THE BONDS

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

- **Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.**

- **A Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different.**

- **No prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time.**

- **The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer, and shall at all times rank *pari passu,* without any priority or preference among themselves and with other unsecured debt, if any. Furthermore, subject to the negative pledge clause (section 5.7 of this Securities Note), 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.**

- **The terms and conditions of this Bond Issue are based on Maltese law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Maltese law or administrative practice after the date of this Prospectus.**

- **In the event that the Issuer wishes to amend any of the Terms and Conditions of the Bond Issue it shall call a meeting of Bondholders in accordance with the provisions of section 5.13 of this Securities Note. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.**

3 PERSONS RESPONSIBLE

This document includes information given in compliance with the Listing Rules for the purpose of providing prospective investors with information with regard to the Issuer. All of the directors of the Issuer, whose names appear under the sub-heading "**Directors**" under the heading "Identity of Directors, Advisors and Auditors of the Issuer" in section 3 of the Registration Document, accept responsibility for the information contained in this Securities Note.

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

3.1 CONSENT FOR USE OF PROSPECTUS

Consent required in connection with the use of the Prospectus during the Issue Period by the Authorised Financial Intermediaries:

For the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries during the Issue Period 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 Directive, the Issuer consents to the use of this Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only:

i. in respect of Bonds subscribed for through Authorised Financial Intermediaries listed in Annex I of this Securities Note during the Issue Period;
ii. to any resale or placement of Bonds taking place in Malta;
iii. to any resale or placement of Bonds taking place within the period of 60 days from the date of the Prospectus.

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

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

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

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

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

Any Authorised Financial Intermediary using this Prospectus in connection with a resale, placement or other offering of Bonds subsequent to the Bond Issue shall, limitedly for the period of 60 days from the date of the Prospectus, publish on its website a notice to the effect that it is using this Prospectus for such resale, placement or other offering in accordance with the consent of the Issuer and the conditions attached thereto. The consent provided herein shall no longer apply following the lapse of such period.

Any new information with respect to Authorised Financial Intermediaries unknown at the time of the approval of this Securities Note will be made available through a company announcement which will also be made available on the Issuer's website: www.mfplc.com.mt

4 ESSENTIAL INFORMATION

4.1 REASONS FOR THE ISSUE AND USE OF PROCEEDS

The proceeds from the Bond Issue, which net of Issue expenses are expected to amount to approximately €29.3 million (or €34.3 million in the event of exercise of the Over-Allotment Option), will be used by the Issuer for the following purposes, in the amounts and order of priority set out below:

4.1.1 the first €20 million of the proceeds from the Bond Issue will be used to refinance the Loan Agreement (described in section 5.2 of this Securities Note); and

4.1.2 any remaining balance of the net Issue proceeds (including proceeds raised through the exercise of the Over-Allotment Option) will be used for the purpose of: funding investments in ports or port operations and/or storage or logistics facilities related to the core and ancillary operations of the Group; and/or general corporate funding purposes of the Group; and/or further reducing the corporate indebtedness of the Group.

In the event that the Bond Issue is not fully subscribed, the Issuer will proceed with the listing of the amount of Bonds subscribed for, and the proceeds from the Bond Issue shall be applied in the manner and order of priority set out above. Any residual amounts required by the Issuer for the purposes of the uses specified in this section 4.1 which shall not have been raised through the Bond Issue shall be financed from the Group's general cash flow and/or bank financing.

4.2 EXPENSES

Professional fees, and costs related to publicity, advertising, printing, listing, registration, sponsor, management, registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated to be in the region of €700,000. There is no particular order of priority with respect to such expenses.

4.3 ISSUE STATISTICS

Amount:	€30 million (or €35 million in the event of exercise of the Over-Allotment Option);
Form:	The Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD;
Denomination:	Euro (€);
ISIN:	MT0000271214;
Minimum amount per subscription:	Minimum of €2,000 and multiples of €100 thereafter;
Redemption Date:	3 July 2024;
Plan of Distribution:	The Bonds are open for subscription by all categories of investors, including Authorised Financial Intermediaries either for their own account or on behalf of clients, and the general public;
Preferred Allocations:	There are no preferred allocations except pursuant to the Placement Agreement entered into with Charts Investment Management Service Limited;
Bond Issue Price:	At par (€100 per Bond);
Status of the Bonds:	The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu,* without any priority or preference among themselves and with other unsecured debt of the Issuer, if any;
Listing:	Application has been made to the Listing Authority for the admissibility of the Bonds to listing and to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List;
Application Forms available:	9 June 2014;

Placement Agreement:	The Issuer has entered into a conditional placement agreement with Charts Investment Management Service Limited whereby a maximum amount of €20,000,000 in value of Bonds has been made available for subscription on 20 June 2014;
Closing date for Applications:	27 June 2014;
Issue Period:	23 June 2014 to 27 June 2014, both days included;
Interest:	5.3% per annum;
Interest Payment Date(s):	Annually on 3 July as from 3 July 2015 (the first interest payment date);
Governing Law of Bonds:	The Bonds are governed by and shall be construed in accordance with Maltese law;
Jurisdiction:	The Maltese Courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds.

4.4 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for the subscription for Bonds by Charts Investment Management Service Limited and any fees payable to Charts Investment Management Service Limited in connection with the Issue as Sponsor, so far as the Issuer is aware no person involved in the Issue has an interest material to the Issue.

5 INFORMATION CONCERNING THE SECURITIES TO BE ISSUED AND ADMITTED TO TRADING

5.1 GENERAL

5.1.1 Each Bond forms part of a duly authorised issue of 5.3% Bonds 2024 of a nominal value of €100 per Bond issued by the Issuer at par up to the principal amount of €30 million (or €35 million in the event of exercise of the Over-Allotment Option) (except as otherwise provided under section 5.12 "Further Issues").

5.1.2 The currency of the Bonds is Euro (€).

5.1.3 Subject to admission to listing of the Bonds to the Official List of the MSE, the Bonds are expected to be assigned ISIN: MT0000271214.

5.1.4 Unless previously purchased and cancelled, the Bonds shall be redeemable at par on the Redemption Date.

5.1.5 The issue of the Bonds is made in accordance with the requirements of the Listing Rules, the Act, and the Regulation.

5.1.6 The Issue Period of the Bonds is between 23 June 2014 and 27 June 2014, both days included.

5.1.7 The Issue Date of the Bonds is 4 July 2014.

5.1.8 The Bond Issue is not underwritten.

5.2 RANKING OF THE BONDS

The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer, and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any. Furthermore, subject to the negative pledge clause set out in section 5.7 of this Securities Note, 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.

The following sets out a summary of Group indebtedness as at 30 April 2014, amounting to €34,228,147.32, and includes bank loans and a third party loan. The bank borrowings listed below are secured by the pledges, mortgages and other security described below. The indebtedness being created by the Bonds ranks after these bank borrowings. In addition, the Bonds would also rank after any future debts which may be secured by a cause of preference such as a pledge, mortgage, privilege and/or a hypothec.

Group Borrowings

Parties	Amount Outstanding	Security
MFB (as borrower), AS DNB Banka (registration number 40003024725) and Nordea Bank Finland Plc (Latvian branch having registration number 40003486767) (as lenders). Loan (credit) agreement dated 29 April 2013 for an aggregate amount of €40,000,000 split equally between the two lenders, subject to the terms and conditions of said agreement (the "**Loan Agreement**"). The purpose of MFB's entry into the Loan Agreement was to fulfil the obligations of its subsidiary BCT arising from a loan facility issued by Nordea Bank Finland Plc in favour of BCT on 30 June 2010.	€33,582,992.32	Pledges over: the entire issued share capital of BCT; the bank accounts held by MFB with Nordea Bank Finland Plc and with AS DNB Banka; and all movable property, present and future, of MFB and BCT. Assignment of receivables due to MFB and BCT from respective debtors. Corporate guarantee provided by BCT. Mortgage in favour of Nordea Bank Finland Plc and AS DNB Banka over real estate property owned by BCT identified in the Loan Agreement.
EQR (as borrower) and Nordea Bank Finland Plc (Latvian branch having registration number 40003486767) (as lender).	€40,355	None.
BCT (as borrower) and Optimodals Baltija Ltf (Latvian company registration number 40003466309) (as lender).	€604,800	None.

5.3 RIGHTS ATTACHED TO THE BONDS

There are no special rights attached to the Bonds other than the right of the Bondholders to:

(i) the payment of capital;
(ii) the payment of interest;
(iii) ranking with respect to other indebtedness of the Issuer in accordance with the provisions of section 5.2 hereof;
(iv) attend, participate in and vote at meetings of Bondholders in accordance with the terms and conditions of the Bond; and
(v) enjoy all such other rights attached to the Bonds emanating from this Prospectus.

5.4 INTEREST

5.4.1 The Bonds shall bear interest from and including 4 July 2014 at the rate of 5.3% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be effected on 3 July 2015. Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day. In terms of article 2156 of the Civil Code (Cap. 16 of the Laws of Malta), the right of Bondholders to bring claims for payment of interest and repayment of the principal on the Bonds is barred by the lapse of five (5) years.

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

5.5 YIELD

The gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds at Redemption Date, is 5.3%.

5.6 REGISTRATION, FORM, DENOMINATION AND TITLE

5.6.1 Certificates will not be delivered to Bondholders in respect of the Bonds in virtue of the fact that the entitlement to Bonds will be represented in an uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer by the CSD. There will be entered in such electronic register the names, addresses, identity card numbers (in the case of natural persons), registration numbers (in the case of companies) and MSE account numbers of the Bondholders and particulars of the Bonds held by them respectively, and the Bondholders shall have, at all reasonable times during business hours, access to the register of bondholders held at the CSD for the purpose of inspecting information held on their respective account.

5.6.2 The CSD will issue, upon a request by a Bondholder, a statement of holdings to such Bondholder evidencing his/her/its entitlement to Bonds held in the register kept by the CSD.

5.6.3 The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €100 provided that on subscription the Bonds will be issued for a minimum of €2,000 per individual Bondholder. Authorised Financial Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €2,000 to each underlying client.

5.6.4 Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Bond. Title to the Bonds may be transferred as provided below under the heading "Transferability of the Bonds" in section 5.11 of this Securities Note.

5.7 NEGATIVE PLEDGE

The Company undertakes, for as long as any principal or interest under the Bonds or any of the Bonds remains outstanding, not to create or permit to subsist any Security Interest (as defined below), other than a Permitted Security Interest (as defined below), upon the whole or any part of their present or future assets or revenues to secure any Financial Indebtedness (as defined below) of the Issuer, unless at the same time or prior thereto the Issuer's indebtedness under the Bonds shares in and is secured equally and rateably therewith, and the instrument creating such Security Interest so provides.

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

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

"**Permitted Security Interest**" means: (A) any Security Interest arising by operation of law; (B) any Security Interest securing temporary bank loans or overdrafts in the ordinary course of business; (C) any other Security Interest (in addition to (A) and (B) above) securing Financial Indebtedness of the Issuer, in an aggregate outstanding amount not exceeding 80% of the difference between the value of the unencumbered assets of the Issuer and the aggregate principal amount of Bonds outstanding at the time.

Provided that the aggregate Security Interests referred to in (B) and (C) above do not result in the unencumbered assets of the Issuer being less than 105.3 per cent of the aggregate principal amount of the Bonds still outstanding;

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

5.8 PAYMENTS

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

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

5.8.3 Payment of interest on a Bond will be made to the person in whose name such Bond is registered at the close of business fifteen (15) days prior to the Interest Payment Date, by means of a direct credit transfer into such bank account as the Bondholder may designate, from time to time, which is denominated in Euro and held with any licensed bank in Malta. Such payment shall be effected within seven (7) days of the Interest Payment Date. The Issuer shall not be responsible for any loss or delay in transmission.

5.8.4 All payments with respect to the Bonds are subject in all cases to any applicable fiscal or other laws and regulations prevailing in Malta. In particular, but without limitation, all payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made net of any amount which the Issuer is 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.

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

5.9 REDEMPTION AND PURCHASE

5.9.1 Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 3 July 2024.

5.9.2 Subject to the provisions of this section 5.9, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike.

5.9.3 All Bonds so purchased will be cancelled forthwith and may not be re-issued or re-sold.

5.10 EVENTS OF DEFAULT

The Bonds shall become immediately due and repayable at their principal amount together with accrued interest, if any, if any of the following events ("**Events of Default**") shall occur:

5.10.1 the Issuer shall fail to pay any interest on any Bond when due and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by any Bondholder; or

5.10.2 the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in the terms and conditions of the Bonds and such failure shall continue for sixty (60) days after written notice thereof shall have been given to the Issuer by any Bondholder; or

5.10.3 an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer; or

5.10.4 the Issuer stops or suspends payments (whether of principal or interest) with respect to all or any class of its respective debts or announces an intention to do so or ceases or threatens to cease to carry on its respective business or a substantial part of its respective business; or

5.10.5 the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent; or

5.10.6 there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is made for the payment of money in excess of €5 million or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; or

5.10.7 any default occurs and continues for ninety (90) days under any contract or document relating to any Financial Indebtedness (as defined above) of the Issuer in excess of €5 million or its equivalent at any time.

5.11 TRANSFERABILITY OF THE BONDS

5.11.1 The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.

5.11.2 Any person becoming entitled to a Bond in consequence of the death or bankruptcy of a Bondholder may, upon such evidence being produced as may from time to time properly be required by the Issuer or the CSD, elect either to be registered himself as holder of the Bond or to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the CSD a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by transferring the Bond, or procuring the transfer of the Bond, in favour of that person.

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

5.11.4 The cost and expenses of effecting any registration of transfer or transmission, except for the expenses of delivery by any means other than regular mail (if any) and except, if the Issuer shall so require for the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the Issuer.

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

5.12 FURTHER ISSUES

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

5.13 MEETINGS OF BONDHOLDERS

5.13.1 The Issuer may from time to time call meetings of Bondholders for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which, in terms of the Prospectus, require the approval of a Bondholders' meeting.

5.13.2 A meeting of Bondholders shall be called by the Directors by giving all Bondholders listed on the register of Bondholders as at a date being not more than thirty (30) days preceding the date scheduled for the meeting, not less than fourteen (14) days' notice in writing. Such notice shall set out the time, place and date set for the meeting and the matters to be discussed or decided thereat, including, if applicable, sufficient information on any amendment of the Prospectus that is proposed to be voted upon at the meeting and seeking the approval of the Bondholders. Following a meeting of Bondholders held in accordance with the provisions contained hereunder, the Issuer shall, acting in accordance with the resolution(s) taken at the meeting, communicate to the Bondholders whether the necessary consent to the proposal made by the Issuer has been granted or withheld. Subject to having obtained the necessary approval by the Bondholders in accordance with the provisions of this section 5.13 at a meeting called for that purpose as aforesaid, any such decision shall subsequently be given effect to by the Issuer.

5.13.3 The amendment or waiver of any of the provisions of and/or conditions contained in this Securities Note, or in any other part of the Prospectus, may only be made with the approval of Bondholders at a meeting called and held for that purpose in accordance with the terms hereof.

5.13.4 A meeting of Bondholders shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting. For this purpose at least two (2) Bondholders present, in person or by proxy, representing not less than 50% in nominal value of the Bonds then outstanding, shall constitute a quorum. If a quorum is not present within thirty (30) minutes from the time scheduled for the commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors to the Bondholders present at that meeting. The Issuer shall within two (2) days from the date of the original meeting publish by way of a company announcement the date, time and place where the adjourned meeting is to be held. An adjourned meeting shall be held not earlier than seven (7) days, and not later than fifteen (15) days, following the original meeting. At an adjourned meeting: the number of Bondholders present, in person or by proxy, shall constitute a quorum; and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.

5.13.5 Any person who in accordance with the M&As of the Issuer is to chair the annual general meetings of shareholders shall also chair meetings of Bondholders.

5.13.6 Once a quorum is declared present by the chairman of the meeting, the meeting may then proceed to business and address the matters set out in the notice convening the meeting. In the event of decisions being required at the meeting the directors or their representative shall present to the Bondholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time to Bondholders to present their views to the Issuer and the other Bondholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Bondholders present at the time at which the vote is being taken, and any Bondholders taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.

5.13.7 The voting process shall be managed by the Company Secretary under the supervision and scrutiny of the auditors of the Issuer.

5.13.8 The proposal placed before a meeting of Bondholders shall only be considered approved if at least 65% in nominal value of the Bondholders present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.

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

5.14 AUTHORISATIONS AND APPROVALS

The Board of Directors of the Issuer authorised the Bond Issue pursuant to a Board resolution passed on 9 May 2014.

5.15 NOTICES

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

6 TAXATION

6.1 GENERAL

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

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

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

6.2 MALTA TAX ON INTEREST

Since interest is payable in respect of a Bond which is the subject of a public issue, unless the Issuer is otherwise instructed by a Bondholder or if the Bondholder does not fall within the definition of "recipient" in terms of article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), interest shall be paid to such person net of a final withholding tax, currently at the rate of 15% of the gross amount of the interest, pursuant to article 33 of the Income Tax Act. Bondholders who do not fall within the definition of a "recipient" do not qualify for the said rate and should seek advice on the taxation of such income as special rules may apply.

This withholding tax is considered as a final tax and a Maltese resident individual Bondholder need not declare the interest so received in his income tax return. No person shall be charged to further tax in respect of such income. However where the Bondholder is a Maltese resident individual, he is still entitled to declare the gross interest in the tax return and the tax so deducted will be available as a credit against the individual's tax liability or for a refund as the case may be.

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

In terms of article 12(1)(c) of the Income Tax Act, Bondholders who are not resident in Malta satisfying the applicable conditions set out in the Income Tax Act are not taxable in Malta on the interest received and will receive interest gross, subject to the requisite declaration/evidence being provided to the Issuer in terms of law.

6.3 EUROPEAN UNION SAVINGS DIRECTIVE

Non-residents of Malta should note that payment of interest to individuals and certain residual entities residing in another EU Member State is reported on an annual basis to the Director General Inland Revenue, Malta, who will in turn exchange the information with the competent tax authority of the Member State where the recipient of interest is resident. This exchange of information takes place in terms of the EU Savings Directive 2003/48/EC.

6.4 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", no tax on capital gains is chargeable in respect of transfer of the Bonds.

6.5 DUTY ON DOCUMENTS AND TRANSFERS

In terms of article 50 of the Financial Markets Act (Cap. 345 of the Laws of Malta) as the Bonds constitute financial instruments of a company quoted on a regulated market, as is the MSE, redemptions and transfers of the Bonds are exempt from Maltese duty.

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

7 TERMS AND CONDITIONS OF THE BOND ISSUE

7.1 EXPECTED TIMETABLE OF THE BOND ISSUE

1. Application Forms available	9 June 2014
2. Private Placement date	20 June 2014
3. Issue Period (opening and closing of subscription lists, respectively)	23 June 2014 to 27 June 2014 both days included
4. Commencement of interest on the Bonds	4 July 2014
5. Announcement of basis of acceptance	4 July 2014
6. Refunds of unallocated monies	11 July 2014
7. Expected dispatch of allotment advices	11 July 2014
8. Expected date of admission of the securities to listing	14 July 2014
9. Expected date of commencement of trading in the securities	15 July 2014

The Issuer reserves the right to close the Offer of Bonds before 27 June 2014 in the event of over-subscription, in which case the events set out in steps 5 to 9 above shall be brought forward, although the number of workings days between the respective events shall not also be altered.

7.2 TERMS AND CONDITIONS OF APPLICATION

7.2.1 The issue and allotment of the Bonds is conditional upon the Bonds being admitted to the Official List. In the event that the Bonds are not admitted to the Official List any Application monies received by the Issuer will be returned without interest by direct credit into the Applicant's bank account indicated by the Applicant on the relative Application Form.

7.2.2 The subscription lists during the Issue Period will open at 08:30 hours on 23 June 2014 and will close as soon thereafter as may be determined by the Issuer, but in any event no later than 16:00 hours on 27 June 2014.

7.2.3 The contract created by the Issuer's acceptance of an Application filed by a prospective bondholder shall be subject to all the terms and conditions set out in this Securities Note and the M&As of the Issuer. It is the responsibility of investors wishing to apply for the Bonds to inform themselves as to the legal requirements of so applying including any requirements relating to external transaction requirements in Malta and any exchange control in the countries of their nationality, residence or domicile.

7.2.4 If an Application Form is signed on behalf of another party or on behalf of a corporation or corporate entity or association of persons, the person signing will be deemed to have duly bound his principal, or the relative corporation, corporate entity, or association of persons, and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions on their behalf. Such representative may be requested to submit the relative power of attorney/resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Issuer and the Registrar, but it shall not be the duty or responsibility of the Registrar or Issuer to ascertain that such representative is duly authorised to appear on the Application Form.

7.2.5 In the case of joint Applications, reference to the Applicant in these Terms and Conditions is a reference to each of the joint Applicants, and liability therefor is joint and several. The person whose name shall be inserted in the field entitled "Applicant" on the Application Form, or first-named in the register of Bondholders shall, for all intents and purposes, be deemed to be such nominated person by all those joint holders whose names appear in the field entitled "Additional Applicants" in the Application Form or joint holders in the register, as the case may be. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Bond/s so held.

7.2.6 In respect of a Bond held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the register. The usufructuary shall, for all intents and purposes, be deemed vis-à-vis the Issuer to be the holder of the Bond/s so held and shall have the right to receive interest on the Bond/s and to vote at meetings of the Bondholders but shall not, during the continuance of the Bond/s, have the right to dispose of the Bond/s so held without the consent of the bare owner, and shall not be entitled to the repayment of principal on the Bond (which shall be due to the bare owner).

7.2.7 Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or the legal guardian/s and accompanied by a Public Registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption monies payable to the parents / legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption monies shall be paid directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.

7.2.8 The Bonds have not been and will not be registered under the Securities Act of 1933 of the United States of America and accordingly may not be offered or sold within the United States or to or for the account or benefit of a U.S. person.

7.2.9 No person receiving a copy of the Prospectus or an Application Form in any territory other than Malta may treat the same as constituting an invitation or offer to such person nor should such person in any event use such Application Form, unless, in the relevant territory, such an invitation or offer could lawfully be made to such person or such Application Form could lawfully be used without contravention of any registration or other legal requirements.

7.2.10 It is the responsibility of any person outside Malta wishing to make any Application to satisfy himself/herself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

7.2.11 Subject to all other terms and conditions set out in the Prospectus, the Issuer reserves the right to reject in whole or in part, or to scale down, any Application, including multiple or suspected multiple Applications, and to present any cheques and/or drafts for payment upon receipt. The right is also reserved to refuse any Application which in the opinion of the Issuer is not properly completed in all respects in accordance with the instructions or is not accompanied by the required documents. Only original Application Forms will be accepted and photocopies/facsimile copies will not be accepted.

7.2.12 The Bonds will be issued in multiples of €100. The minimum subscription amount of Bonds that can be subscribed for by Applicants is €2,000.

7.2.13 The Bond Issue shall close on the earlier of: (i) the date on which the aggregate of the amount subscribed for in terms of the Placement Agreement and total Applications received reaches €30 million (or, in the case of exercise of the Over-Allotment Option, €35 million); or (ii) on 27 June 2014. Within 5 business days from closing of the subscription lists, the Issuer shall announce the result of the Issue and shall determine, and issue a company announcement setting out, the basis of acceptance of applications and allocation policy to be adopted.

7.2.14 In the event that an Applicant has not been allocated any Bonds or has been allocated a number of Bonds which is less than the number applied for, the Applicant shall receive a full refund or, as the case may be, the balance of the price of the Bonds applied for but not allocated, without interest, by credit transfer to such account indicated in the Application Form, at the Applicant's sole risk within five Business Days from the date of final allocation.

7.2.15 The completed Application Forms are to be lodged with the Sponsor, the Manager and Registrar or any of the Authorised Financial Intermediaries.

7.2.16 All Application Forms must be accompanied by the full price of the Bonds applied for in EUR. Payment may be made either in cash or by cheque payable to "The Registrar – 2014 Mariner plc Bonds". In the event that cheques accompanying Application Forms are not honoured on their first presentation, the Issuer and the Registrar reserve the right to invalidate the relative Application.

7.2.17 For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations 2008 as amended from time to time, all appointed Authorised Financial Intermediaries are under a duty to communicate, upon request, all information about clients as is mentioned in Articles 1.2(d) and 2.4 of the "Code of Conduct for Members of the MSE" appended as Appendix IV to Chapter 3 of the Bye-Laws, irrespective of whether the said appointed Authorised Financial Intermediaries are Members or not. Such information shall be held and controlled by the MSE in terms of the Data Protection Act (Cap. 440 of the Laws of Malta) for the purposes and within the terms of the Malta Stock Exchange Data Protection Policy as published from time to time.

7.2.18 By completing and delivering an Application Form the Applicant:

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

b. warrants that the information submitted by the Applicant in the Application Form is true and correct in all respects and in the case where an MSE account number is indicated in the Application Form, such MSE account number is the correct account of the Applicant. In the event of a discrepancy between the personal details (including name and surname and the Applicant's address) appearing on the Application Form and those held by the MSE in relation to the MSE account number indicated on the Application Form, the details held by the MSE shall be deemed to be the correct details of the Applicant;

c. authorises the Issuer and the MSE to process the personal data that the Applicant provides in the Application Form, for all purposes necessary and subsequent to the Bond Issue applied for, in accordance with the Data Protection Act (Cap. 440 of the Laws of Malta). The Applicant has the right to request access to and rectification of the personal data relating to him/her as processed by the Issuer and/or the MSE. Any such requests must be made in writing and sent to the Issuer at the address indicated in the Prospectus. The requests must further be signed by the Applicant to whom the personal data relates;

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

e. 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 identity as required by the Prevention of Money Laundering Act (Cap. 373 of the Laws of Malta) and regulations made thereunder, and that such monies will not bear interest;

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

g. warrants, in connection with the Application, to have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with his/her Application in any territory, and that the Applicant has not taken any action which will or may result in the Issuer or the Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the Bond or his/her Application;

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

i. represents that the Applicant is not a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933 of the United States of America, as amended) as well as not to be accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the "United States") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;

j. agrees that Charts Investment Management Service Limited will not, in their capacity of Sponsor, treat the Applicant as their customer by virtue of such Applicant making an Application for the Bonds, and that Charts Investment Management Service Limited will owe the Applicant no duties or responsibilities concerning the price of the Bonds or their suitability for the Applicant;

k. 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 (or, in the case of joint Applications, the address of the first named Applicant) as set out in the Application Form;

l. 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.

7.3 PLAN OF DISTRIBUTION AND ALLOTMENT

The Bonds are open for subscription to all categories of investors. In each case, subscription amounts shall be in multiples of €100, subject to a minimum subscription amount of €2,000.

It is expected that an allotment advice will be dispatched to Applicants within five (5) Business Days of the announcement of the allocation policy. The registration advice and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the Prevention of Money Laundering Act (Cap. 373 of the Laws of Malta), and regulations made thereunder. Such monies will not bear interest while retained as aforesaid.

Dealings in the Bonds shall not commence prior to admission to trading of the Bonds by the MSE or prior to the said notification.

7.4 PLACEMENT AGREEMENT

On 29 May 2014 the Issuer entered into a conditional placement agreement with the Sponsor, Charts Investment Management Service Limited (C 7944) of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, Malta, for the subscription of €20,000,000 of the Bonds by the Sponsor on 20 June 2014.

In terms of the Placement Agreement entered into with the Sponsor, the Issuer bound itself to issue, and the Sponsor bound itself to subscribe for, €20,000,000 of the Bonds, subject to:

a. the Prospectus being approved by the Listing Authority;

b . the minimum amount specified in the Placement Agreement, that is €20,000,000, being subscribed; and

c. the Bonds being admitted to trading on the Official List.

In terms of the Placement Agreement, the Sponsor subscribing for Bonds may do so for its own account or for the account of underlying customers, including retail customers, and shall in addition be entitled to either:

a. distribute to the underlying customers any portion of the Bonds subscribed for upon commencement of trading; or

b. instruct the Issuer and the Registrar to issue a portion of the Bonds subscribed by them directly to their underlying customers.

7.5 PRICING

The Bonds are being issued at par, that is, at €100 per Bond.

7.6 ALLOCATION POLICY

Following the allocation of €20,000,000 in Bonds to Charts Investment Management Service Limited pursuant to the conditional Placement Agreement referred to in section 7.4 above, the Issuer shall allocate the remaining Bonds to Applications submitted by members of the general public without priority or preference amongst themselves and in accordance with the allocation policy as determined by the Issuer and the Registrar by submitting the Application Form.

7.7 ADMISSION TO TRADING

7.7.1 The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated 2 June 2014.

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

7.7.3 The Bonds are expected to be admitted to the MSE with effect from 14 July 2014 and trading is expected to commence on 15 July 2014.

Name	Address	Telephone
APS Bank Ltd	17, Republic Street, Valletta VLT 1111	25671719
Bank of Valletta p.l.c.	BOV Centre, Cannon Road, St Venera SVR 9030	22751732
Calamatta Cuschieri & Co Ltd	Fifth Floor, Valletta Buildings, South Street, Valletta VLT 1103	25688688
Charts Investment Management Service Ltd	Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913	21224106
Crystal Finance Investments Ltd	10, First Floor, City Gate, Valletta VLT 1010	21226190
Curmi & Partners Ltd	Finance House, Princess Elizabeth Street, Ta' Xbiex XBX 1102	23426000
Fexserv Investment Services Ltd	Alpine House, Naxxar Road, San Gwann SGN 9032	25762001
Financial Planning Services Ltd	4, Marina Court No. 1, G. Calì Street, Ta' Xbiex XBX 1421	21344244
FINCO Treasury Management Ltd	Level 5, The Mall Complex, The Mall, Floriana FRN 1470	21220002
GlobalCapital Financial Management Ltd	Testaferrata Street, Ta'Xbiex XBX 1403	21342342
Growth Investments Ltd	Customer Service Centre, Pjazza Papa Giovanni XXIII, Floriana FRN 1420	25909000
Hogg Capital Investments Ltd	Ferris Building, Level 4 1, St Luke's Road, Gwardamangia, Pieta PTA 1020	21322872
HSBC Bank (Malta) p.l.c.	116, Archbishop Street, Valletta VLT 1444	23802381
Jesmond Mizzi Financial Advisors Ltd	67/3, South Street, Valletta VLT 1105	23265681
Lombard Bank Malta p.l.c.	67. Republic Street, Valletta VLT 1117	25581114
Maltese Cross Financial Services Ltd	242, Fleur-de-lys Road, B'Kara BKR 9069	21447600
Michael Grech Financial Investment Services Ltd	1, Mican Court, JF Kennedy Square, Victoria, Gozo VCT 2580	21554492
MZ Investment Services Ltd	11, St Rita Street, Rabat RBT 1523	21453739
Rizzo, Farrugia & Co (Stockbrokers) Ltd	Airways House, Third Floor, High Street, Sliema SLM 1549	22583000

MARINER FINANCE P.L.C.
€30,000,000 5.3% Unsecured Bonds 2024
(subject to an Over-Allotment Option of an additional €5,000,000)

PLEASE READ THE NOTES OVERLEAF BEFORE COMPLETING THIS APPLICATION FORM. WHERE REQUIRED MARK 'X' IF APPLICABLE. UNLESS OTHERWISE INDICATED, EACH OF THE PANELS BELOW IS TO BE COMPLETED.

APPLICANT/S (See notes 2 to 7)

A ☐ Non-Resident ☐ Minor (under 18) ☐ Body Corporate/Body of Persons ☐ CIS-Prescribed Fund

B

TITLE (Mr/Mrs/Ms/...)	FULL NAME & SURNAME / REGISTERED NAME		
ADDRESS			
			POSTCODE
MSE A/C NO. (if applicable)	I.D. CARD / PASSPORT / COMPANY REG. NO.	TEL. NO.	MOBILE NO.

C **ADDITIONAL (JOINT) APPLICANTS (See note 3)** (please use additional Application Forms if space is not sufficient)

TITLE (Mr/Mrs/Ms/...)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
TITLE (Mr/Mrs/Ms/...)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.

D **MINOR'S PARENTS / LEGAL GUARDIANS (See note 4)** (to be completed ONLY if the Applicant is a minor)

TITLE (Mr/Mrs/Ms/...)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
TITLE (Mr/Mrs/Ms/...)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.

E I/WE APPLY TO PURCHASE AND ACQUIRE (See notes 8 and 9):

AMOUNT IN FIGURES	AMOUNT IN WORDS
€	

Mariner Finance p.l.c. 5.3% Bonds 2024 (minimum €2,000 and in multiples of €100 thereafter) at the Bond Issue Price (at par), as defined in the Prospectus dated 2 June 2014 (the "**Prospectus**"), payable in full upon application under the Terms and Conditions as defined in said Prospectus.

F **RESIDENT - WITHOLDING TAX DECLARATION (See note 10)** (to be completed ONLY if the Applicant is a Resident in Malta)

☐ I/We elect to have Final Witholding Tax deducted from my/our interest.
☐ I/We elect to receive interest GROSS (i.e. without deduction of witholding tax).

G **NON-RESIDENT - DECLARATION FOR TAX PURPOSES (See note 12)** (to be completed ONLY if the Applicant is a Non-Resident)

TAX COUNTRY	CITY OF BIRTH	
TIN (Tax Identification Number)	COUNTRY OF BIRTH	
PASSPORT/NATIONAL I.D. CARD No.	COUNTRY OF ISSUE	ISSUE DATE

☐ I/We am/are NOT resident in Malta but I/we am/are resident in the European Union.
☐ I/We am/are NOT resident in Malta and I/we am/are NOT resident in the European Union.

H **INTEREST, REFUND & REDEMPTION MANDATE (See note 11)** (completion of this panel is mandatory)

BANK	IBAN

I I/We have fully understood the instructions for completing this Application Form, and am/are making this Application solely on the basis of the Prospectus, and subject to its terms and conditions as contained therein which I/we fully accept.

Signature/s of Applicant/s
(Both parents or legal guardian/s are/is to sign if Applicant is a minor)
(All parties are to sign in the case of a joint Application)

Date

AUTHORISED FINANCIAL INTERMEDIARY'S STAMP	AUTHORISED FINANCIAL INTERMEDIARY'S CODE	APPLICATION NUMBER

NOTES ON HOW TO COMPLETE THIS APPLICATION FORM AND OTHER INFORMATION

The following notes are to be read in conjunction with the Prospectus dated 2 June 2014

1. This Application is governed by the Terms and Conditions of Application contained in the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Prospectus.

2. The Application Form is to be completed in BLOCK LETTERS.

3. Applicants are to insert full personal details in Panel B. In the case of an application by more than one person (including husband and wife) full details of all individuals – including I.D. Card Numbers – must be given in Panels B and C but the person whose name appears in Panel B shall, for all intents and purposes, be deemed to be the registered holder of the Bonds (vide note 7 below).

4. Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or by the legal guardian/s and accompanied by a Public Registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted. The relative box in Panel A must also be marked appropriately. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption proceeds payable to the parents or legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption proceeds shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.

5. Applicants who are Non-Resident in Malta for tax purposes must indicate their passport number in Panel B and complete Panel G. The relative box in Panel A must also be marked appropriately.

6. In the case of a body corporate, the name of the entity exactly as registered, and the registration number are to be inserted in Panel B. Applications must be signed by a duly authorised representative indicating the capacity in which they are signing.

7. **APPLICANTS WHO ALREADY HOLD SECURITIES ON THE MSE ARE TO INDICATE THEIR MSE ACCOUNT NUMBER IN PANEL B. APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED IN THE MSE ACCOUNT NUMBER QUOTED ON THE APPLICATION FORM. IF DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE MSE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF, A SEPARATE REQUEST BY THE APPLICANT TO CHANGE THESE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.**

8. Application must be for a minimum of €2,000 and thereafter in multiples of €100.

9. Payment in Euro may be made in cash or by cheque payable to '**The Registrar – Mariner Finance plc Bond Issue'**. In the event that the cheque accompanying an Application Form is not honoured on the first presentation, the Issuer and the Registrar reserve the right to invalidate the relative Application.

10. Only Applicants who hold an official Maltese Identity Card or companies registered in Malta will be treated as resident in Malta. In such a case the Applicant may elect to have Final Withholding Tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of Final Withholding Tax), but he/she will be obliged to declare interest so received on his/her tax return. Authorised entities applying in the name of a Prescribed Fund (having indicated their status in the appropriate box in Panel A) will have Final Withholding Tax, currently 10%, deducted from interest payments.

    In terms of section 6.1.2 of the Securities Note, unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of "recipient" in terms of Article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), interest shall be paid to such person net of final withholding tax, currently at the rate of 15% of the gross amount of interest, pursuant to Article 33 of the Income Tax Act.

11. If any Application is not accepted after the closure of the subscription lists or is accepted for fewer Bonds than those applied for, the monies or the balance of the amount paid but not allocated, as the case may be, will be returned by direct credit into the bank account as indicated in Panel H. Interest and redemption proceeds will be credited to the account indicated in Panel H or as otherwise amended by the Bondholder/s during the term of the Bond.

12. European Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments requires all payors established in the EU which pay interest to an individual resident in another EU Member State, to report the interest payment to the tax authorities of the Member State in which the payor is established. If the Applicant's permanent residential address is in an EU Member State or in another country to which the said Directive applies (called a "specified territory") then the interest paid will be reported.

13. Subscription lists will open at 08:30 hours on 23 June 2014 and will close as soon thereafter as may be determined by the Issuer, but not later than 16:00 hours on 27 June 2014. The Issuer reserves the right to close the Bond Issue before 27 June 2014, in the event of over-subscription. The Issuer reserves the right to refuse any Application which appears to be in breach of the terms and conditions of the Bonds as contained in the Prospectus. Any Applications received by the Registrar after the subscription lists close will be rejected. Completed Application Forms are to be delivered to any of the Authorised Financial Intermediaries listed in Annex I of the Securities Note, during normal office hours. Remittances by post are made at the risk of the Applicant and the Issuer disclaims all responsibility for any such remittances not being received by the date of closing of the subscription lists.

14. By completing and delivering an Application Form you (as the Applicant(s)):
    a. acknowledge that the Issuer may process the personal data that you provide in the Application Form in accordance with the Data Protection Act (Cap. 440 of the Laws of Malta);
    b. acknowledge that the Issuer may process such personal data for all purposes necessary for and related to the Bonds applied for; and
    c. acknowledge that you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer. Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds on offer will be repayable in full upon redemption. An investor should consult an independent financial advisor, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.

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The Directors
Mariner Finance p.l.c.
Nineteen Twenty Three
Valletta Road
Marsa MRS 3000

2 June 2014

Dear Sirs

Mariner Finance p.l.c. Financial Analysis Summary

In accordance with your instructions, and in line with the requirements of the Listing Authority Policies, we have compiled the Financial Analysis Summary 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 Mariner Finance p.l.c. (the "**Group**" or the "**Company**"). 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 2011 to 31 December 2013 has been extracted from the audited financial statements of each of the companies forming part of the Group for the three years in question (other than SIA Mariner Finance Baltic which was set up in 2013 and therefore historical financial data refers to FY2013 only; and SIA Mariner Baltic Holdings which was incorporated in FY2014 and as such no audited financial statements have been prepared), and from the pro forma consolidated financial statements of the Company for the year ended 31 December 2013.

(b) The forecast data of the Group for the years ending 31 December 2014 and 31 December 2015 has been provided by management of the Company.

(c) Our commentary on the results of the Group and on its financial position is based on the explanations provided by the Company.

(d) The ratios quoted in the Financial Analysis Summary have been computed by us applying the definitions set out in Part 4 of the Analysis.

(e) Relevant financial data in respect of the companies included in Part 3 has been extracted from public sources such as websites of the companies concerned, financial statements filed with the Registrar of Companies or websites providing financial data.

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The Analysis is meant to assist investors in the Company's securities and potential investors by summarising the more important financial data of the Group. The Analysis does not contain all data that is relevant to investors or potential investors. The Analysis does not constitute an endorsement by our firm of any securities of the Company and should not be interpreted as a recommendation to invest in any of the Company's securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis. As with all investments, potential investors are encouraged to seek professional advice before investing in the Company's securities.

Yours faithfully,

Wilfred Mallia
Director

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PART 1

1. COMPANY'S KEY ACTIVITIES

The principal activity of the Mariner Finance p.l.c. (the "**Company**", "**Issuer**" or the "**Group**") is to carry on the business of a finance and investment company within the Group, in particular, the financing of acquisitions in seaport terminals.

The Issuer was incorporated on 30 May 2003 in advance of issuing a bond of €13 million at an annual interest rate of 5.75% and redeemable between 2008 and 2010. The bond was listed on the Official List of the Malta Stock Exchange. The net bond proceeds of the issue were on-lent to its then parent company, Mariner Srl (formerly Mariner SpA), to fund the acquisition of a shareholding in Terminal Intermodale Venezia SpA., a licensed operator of a seaport terminal in Venice Italy, and to fund the 100 per cent equity interest in SIA Baltic Container Terminal ("**BCT**").

Subsequent to the redemption of the aforesaid bond on 15 July 2010, the principal activity of the Issuer was that of servicing a portfolio of available-for-sale investments.

In November 2013, a corporate restructuring exercise took place whereby the Company was acquired by Mariner Capital Limited from Mariner Srl. Furthermore, in May 2014 the Company became the parent of the Group as set out in section 3 below.

2. DIRECTORS AND KEY EMPLOYEES

The Company is managed by a Board consisting of six directors entrusted with its overall direction and management.

Board of Directors

Marin Hili	Chairman and Chief Executive Officer
Edward Hili	Non-Executive Director
Michela Borg	Non-Executive Director
Kevin Saliba	Non-Executive Director
Lawrence Zammit	Independent Non-Executive Director
Nicholas Bianco	Independent Non-Executive Director

The Issuer is an investment company which does not require an elaborate management structure. Marin Hili has been appointed Chairman and Chief Executive of the Issuer. The Chief Executive Officer is responsible for the day-to-day management of the Group. In the execution of the strategic direction, investment and management oversight of the Group, he is assisted by senior management of the operating Group companies having the appropriate experience and knowledge required in particular cases arising from time to time. The aforesaid senior management of the operating companies, BCT and SIA Equinor RIga (EQR), as well as their principal roles are included hereunder:

Gerard Sammut	Finance (BCT and EQR)
Aldis Zieds	Administration (BCT)
Dzintars Vigulis	Operations (BCT)
Dimitri Kiseljev	Information Technology (BCT)

3. MARINER GROUP

3.1 ORGANISATIONAL STRUCTURE

As the holding company of the Group, the Company is ultimately dependent upon the operations and performance of the Group's operating companies. The organisational structure of the Group is illustrated in the diagram hereunder:

SIA Mariner Baltic Holdings ("**MBH**") is a private limited liability company incorporated and registered in Latvia. It has an authorised and issued share capital of €2,800 divided into 2,800 ordinary shares of €1.00, fully paid up. The company was incorporated on 16 April 2014 principally to act as a holding company.

SIA Mariner Finance Baltic ("**MFB**") is a private limited liability company incorporated and registered in Latvia. It has an authorised and issued share capital of the euro equivalent of €40,001,195 divided into 281,130 ordinary shares of €142.29 per share, fully paid up. The company was set up on 28 February 2013 principally to act as the immediate parent company of BCT and to provide financing to its subsidiary company.

On 1 March 2013, the company acquired from Mariner Srl the 100% shareholding in BCT for €70 million. The terms of the purchase agreement include a cash consideration of €26 million, which was settled during the reporting period. The remaining balance of €44 million was settled through a set-off of debt balances with MFB's ultimate parent company, Mariner Capital Limited. In 2013, MFB entered into a loan agreement with two Latvian credit institutions for an aggregate amount of €40 million which is repayable in April 2018. As at 31 December 2013, the balance from such facility amounted to €34.9 million.

A brief overview and primary business activities of each of the two operating companies of the Group, **SIA Equinor Riga** ("**EQR**") and **SIA Baltic Container Terminal** ("**BCT**"), is provided in section 4 below.

On 1 January 2014, Latvia joined the Eurozone and the Latvian Lat was replaced with the Euro. The conversion to Euro was effected at the official exchange rate set by the Bank of Latvia - €1:Ls 0.702804. The audited historical financial statements of Group companies registered and operating in Latvia had been prepared in the home currency – Latvian Lats. For comparative purposes, such financial information has been translated into Euro, being the functional currency of the Issuer, at the said official conversion rate of €1:Ls 0.702804.

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4. GROUP OPERATING COMPANIES

4.1 SIA EQUINOR RIGA

4.1.1 Introduction

EQR is a private limited liability company incorporated and registered in Latvia on 6 June 1995. It has an issued share capital of €3,963,666 consisting of 283,119 ordinary shares of €14 each. The company owns and operates a commercial and office building located in Merkela Street, Riga, Latvia, consisting of a five storey building having *circa* 3,880m^2 of rentable space.

EQR has a 25-year lease to 2031 with McDonald's Latvia for an area measuring 626m^2. The rental income is based on a percentage of net annual sales of the lessor. The remaining area is leased to nine other tenants for use as office space or commercial activity. Each of the aforesaid lease agreements specifies a fixed rental charge per square metre and the contractual period ranges from three to ten years.

Commercial & office building – Merkela Street, Riga, Latvia

The property is situated at a major intersection in the central part of Riga, within the main retail and commercial area of the city. In terms of a local grading system, the building is classified as Class B commercial/office space. An appraisal of the property was undertaken in February 2014 by a third party independent consultant, who valued the said property at €5.1 million.

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4.1.2 *Riga office market overview*

The office space rental market in Riga offers Class A, B and C lease space and consists of a total area of *circa* 500,000m[2] in 65 premises. Class A buildings make up approximately 20% of total rentable area and are primarily utilised for commercial banking purposes. Therefore, quality commercial space available to businesses (other than banking) is of a Class B standard.

Statistical data shows that the highest demand is for office space not exceeding 150m[2] and the top quality office space is generally taken up by companies that have a staff complement of at least 10 employees. On the other hand, Class C office space tends to be requested for by start-up companies or other organisations that have limited budgets and cannot afford Class A or B facilities.

As to rental prices, property owners typically prefer a low turnover of tenants and therefore tend to minimise increases in rental rates. The average rent payable for Class A space is €12 to €15 per square metre with an annual average rent increase of 7% to 8%. Class B rates average around €7 to €8 per square metre, with an annual increment of *circa* 5% to 7%.

4.1.3 *Operational performance*

Set out below are highlights of EQR's operating performance for the years indicated therein:

Income Statement (€'000)	**FY2015 Projection**	**FY2014 Forecast**	**FY2013 Actual**	**FY2012 Actual**	**FY2011 Actual**
Revenue (rental income and other services)	451	419	375	345	289
Operating expenses	(124)	(98)	(90)	(84)	(62)
EBITDA	**327**	**321**	**285**	**261**	**227**
Depreciation	-	-	(72)	(72)	(72)
Net interest income	89	87	29	16	18
Profit before tax	**416**	**408**	**242**	**205**	**173**
Taxation	(57)	(64)	(52)	(40)	(40)
Profit for the year	**359**	**344**	**190**	**165**	**133**

The key accounting ratios are set out below:

	FY2015	**FY2014**	**FY2013**	**FY2012**	**FY2011**
Revenue growth *(Revenue FY1/Revenue FY0)*	8%	12%	9%	19%	
EBITDA margin *(EBITDA/revenue)*	73%	77%	76%	76%	79%
Net profit margin *(Profit after tax/revenue)*	80%	82%	51%	48%	46%

Source: Charts Investment Management Service Limited

Statement of financial position (€'000)	**31 Dec'13 Actual**	**31 Dec'12 Actual**	**31 Dec'11 Actual**
ASSETS			
Non-current assets			
Land and buildings	1,676	1,705	1,733
Other fixed assets	198	237	280
Amounts due from related and affiliated companies	2,917	2,272	2,272
Total non-current assets	**4,791**	**4,214**	**4,285**
Current assets			
Trade and other receivables	37	39	53
Amounts due from related and affiliated companies	56	625	556
Cash and cash equivalents	115	24	31
Total current assets	**208**	**688**	**640**
Total assets	**4,999**	**4,902**	**4,925**
EQUITY AND LIABILITIES			
Equity	**3,321**	**3,130**	**2,966**
LIABILITIES			
Non-current liabilities			
Loans from credit institution	-	61	194
Loans from related parties	1,330	1,330	1,093
Deferred tax liability and other creditors	88	90	96
Total non-current liabilities	**1,418**	**1,481**	**1,383**
Current liabilities			
Loans from credit institution	61	133	467
Other creditors	199	158	109
Total current liabilities	**260**	**291**	**576**
Total liabilities	**1,678**	**1,771**	**1,959**
Total equity and liabilities	**4,999**	**4,902**	**4,925**

Revenue generated by EQR mainly relates to rental income and the provision of other ancillary services. In FY2013 income increased to €375,000 from €289,000 in FY2011 (equivalent to a compound annual growth rate of 14%) as a result of an increase in occupancy rate during this period from 71.2% to 100%. Profit for the year increased by 15% to €190,459 (FY2012: €164,697), reflecting the increase in tenancy following the signing of a new customer that will be operating a collective accommodation establishment. Revenue and profits are projected to grow after FY2013 in line with any increments factored into the respective lease agreements.

The assets of the company primarily include the aforesaid property and building improvements amounting to an aggregate of €1.9 million, and receivables due from affiliated companies of €2.9 million. In line with an appraisal of the property dated 14 February 2014, the property has been revalued in FY2014 to €5.1 million. EQR's outstanding bank borrowings as at 30 April 2014 amounted to €40,355, which will be settled in full during the financial year ending 31 December 2014.

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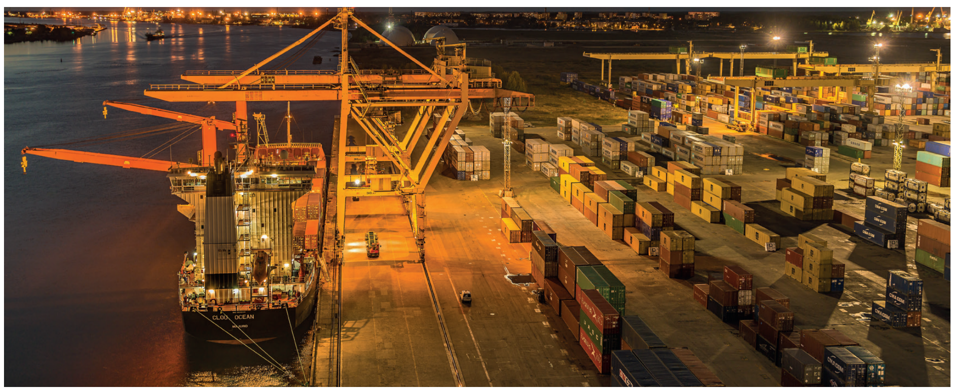
4.2 SIA BALTIC CONTAINER TERMINAL

4.2.1 Introduction

BCT is a private limited liability company incorporated and registered in Latvia. The company was incorporated on 26 March 1996 and is principally engaged in the provision of port and related services at the port of Riga. BCT operates at the Riga Free Port No. 2 under a port concession license issued by the Riga Free Port Authority which expires in April 2047. Apart from the license, the company had entered into a real estate purchase agreement on 30 April 2003 whereby the Riga Free Port Authority sold to BCT, which acquired, full ownership of all yards within the boundaries of the BCT terminal (excluding the quay), together with all underlying communications, five warehouses having an aggregate total area of approximately 14,000m^2, parking and paved areas surrounding said warehouses, and covered rail ramps.



SIA Baltic Container Terminal

4.2.2 Market and competition

BCT is located at the mouth of the river Daugava which runs through the centre of Latvia's capital Riga. Its favourable geographical location and good, direct access via road and rail to its market hinterland make it strategically located to serve as a gateway to meet container traffic demand to and from the main industrial centres of Russia and other destinations including Moscow, Kaluga, Novgorod, St Petersburg, Minsk, Kiev, Vilnius, Tallinn, Almaty and Tashkent.

Latvia is a fast developing country located on the south-east coast of the Baltic Sea in the centre of the Baltic States (Lithuania, Latvia and Estonia). It represents the financial hub of the three nations and its favourable geopolitical environment provides excellent business opportunities for the four major growth markets bordering Latvia - Belarus, Estonia, Lithuania and Russia.

There are three main ports in Latvia - Venstpils, Riga and Liepaja - and these are mainly involved in transit cargo. The Freeport of Riga is by far the major container-handling port in Latvia at over 98.5% in 2013. In turn, within the port, BCT is the only specialised container terminal and in 2013 handled approximately 72% of containers. There are two other terminals - Riga Central Terminal (RCT) and Riga Universal Terminal (RUT) - which handle relatively small volumes of containerised cargo, though their main fields of activity are in the handling of general and bulk cargoes. As a specialised container terminal BCT is better equipped in terms of infrastructure, superstructure and workforce to efficiently and productively handle containers.

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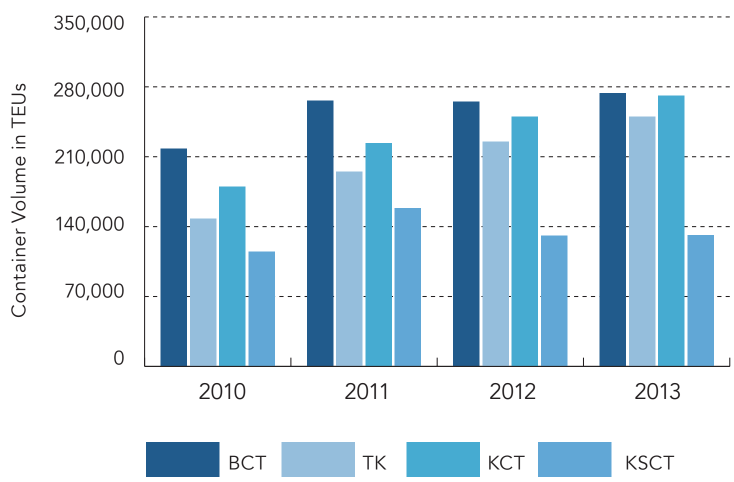
Although the RUT and RCT do constitute a form of competition, BCT's main competitors are other specialised container terminals which are located in the neighbouring Baltic States and other eastern Baltic countries. These include: Klaipeda Container Terminal (KCT) and Klaipeda Smelte Container Terminal (KSCT) in Klaipeda, Lithuania; Transiidikeskuse (formerly Muuga Container Terminal) (TK) in Tallinn, Estonia; the container terminals within the Port of St. Petersburg, Russia, and; Palokangas - EU Container Terminal and Mussalo Container Terminal within HaminaKotka Port, Finland.

KCT, KSCT and TK, located in the neighbouring Baltic States represent the most direct form of competition to BCT due to their similar geographical locations, hinterland markets, inland connections, geopolitical environment and general terminal facilities. Below is a comparison of BCT with its direct competitors for the financial years 2010 to 2013.

Comparison to total volumes of containers handled at Baltic States container terminals post-crisis (2010-2013)



4.2.3 Principal activities

BCT commenced activities on 1 May 1996, subsequent to the restructuring of a state-owned company, Riga Trade Port. It operates over an area of *circa* 557,000m^2. The BCT terminal has an annual container handling capacity of *circa* 450,000 twenty-foot equivalent units ("**TEUs**"), and offers the following services:

- **Quay-side operations** – including the berthing of vessels for the loading and/or unloading of containerised cargo using three ship-to-shore quay cranes. A fourth quay crane has been commissioned for delivery in Q3 2014. Ro-ro vessels, which are ships designed to carry wheeled cargo such as automobiles, trucks and trailers (roll-on/roll-off), may also be serviced.

- **Yard operations** – the terminal has a container storage yard comprising a capacity of *circa* 20,000 TEUs. In addition, the yard has 500 reefer points, that is, electrical outlets for the storage of temperature-controlled containers.

- **Gate and rail operations** – including the transfer of containers between the container terminal and inland road and rail networks. BCT has direct access to both road and rail networks, and operates its own rail handling facility which can service up to 64 rail platforms simultaneously.

- **Warehousing** – the terminal has *circa* 20,400m^2 of covered warehousing space for the storage of general cargo. The warehouse facilities have direct access to the rail and road networks for more efficient distribution of cargo.

- **Ancilliary activities** – a wide range of value-added services are provided at the container terminal due to an optimised integrated logistics chain. Through a container freight station the terminal offers the service of, amongst others, stuffing and stripping of containers (packing/unpacking). In addition, BCT also provides engineering services for the repair of damaged containers.

Of the activities outlined above, the main operation at BCT is the loading and unloading of containers, which in 2013 represented 78% of total revenue generated by the company.

4.2.4 Operational performance

The following table sets out the highlights of BCT's operating performance for the years indicated therein.

Income Statement (€'000)	**FY2015 Projection**	**FY2014 Forecast**	**FY2013 Actual**	**FY2012 Actual**	**FY2011 Actual**
Revenue	18,581	17,608	17,648	19,762	19,888
Operating expenses	(9,381)	(9,031)	(9,144)	(8,313)	(8,177)
EBITDA	**9,200**	**8,577**	**8,504**	**11,449**	**11,711**
Depreciation and amortisation	(1,551)	(1,435)	(1,215)	(1,301)	(1,440)
Net interest income	726	717	446	472	23
Profit before tax	**8,375**	**7,859**	**7,735**	**10,620**	**10,294**
Taxation	(253)	(238)	(225)	(736)	(1,511)
Profit for the year	**8,122**	**7,621**	**7,510**	**9,884**	**8,783**

The key accounting ratios are set out below:

	FY2015	**FY2014**	**FY2013**	**FY2012**	**FY2011**
Revenue growth *(Revenue FY1/Revenue FY0)*	6%	-	-11%	-1%	
EBITDA margin *(EBITDA/revenue)*	50%	49%	48%	58%	59%
Net profit margin *(Profit after tax/revenue)*	44%	43%	43%	50%	44%

Source: Charts Investment Management Service Limited

During the year ended 31 December 2012, BCT handled 265,054 TEUs and generated €19.8 million in revenue (equivalent to €75 per TEU). This result was broadly similar to that achieved in the prior year (FY2011: 266,161 TEU and €19.9 million in revenue). As to the number of ship calls, the terminal received 350 vessels in FY2012 which, although greater in number by 21%, had on average a lower TEU load when compared to FY2011.

FY2013 was a record year in terms of TEUs as the container terminal handled its highest volume of containers (273,650 TEUs). Despite this 3.2% increase, revenue declined by 10.7% to €17.6 million (FY2012: €19.8 million) and operating profit decreased by 28.3% to €7.3 million. Consequently, profit for the year also decreased from €9.9 million to €7.5 million (24.0%). The primary reason for this decrease was due to the cessation of storage requirements of NATO reefers as troops in Afghanistan were withdrawn. This reduced revenue generated from cargo handling from €3.6 million in 2012 to €1.8 million in 2013. Moreover, BCT offers certain volume discounts in order to induce higher volumes, and during 2013 shipping lines took particular advantage of such discounts by passing increased volumes through the terminal. In FY2013, the effect of such discounted rates impacted revenues adversely by €0.4 million (2012: €0.09 million).

In FY2014 management expects to generate revenue similar to that achieved in FY2013 at €17.6 million, but EBITDA should improve marginally by 1% from €8.5 million in FY2013 to €8.6 million in FY2014. Revenue in FY2015 is projected to recover by 6% to €18.6 million, whilst improving EBITDA margin from 49% to 50%.

4.2.5 Revenue by segment

The revenue of the company can be categorised into three main revenue streams as follows:

i. **Container services** – including loading and unloading of containers to and from ships, other container handling services, berthing and other vessel services;

ii. **Cargo storage** – comprising primarily yard storage, with increasing capacity in warehouse storage; and

iii. **Additional handling and other services** – provided through the integrated logistics chain including additional services, such as transferring containers from the terminal to inland networks via rail or trucks.

A segmental analysis of revenue by segment for the three financial years ended 31 December 2011 to 31 December 2013 is provided below:

Revenue by segment (€'000)	**FY2013 Actual**	**FY2012 Actual**	**FY2011 Actual**
Container services	13,166	13,601	13,323
Cargo storage	1,836	3,556	3,594
Additional handling and other services	3,041	2,695	3,090
Discounts	(395)	(90)	(119)
Total revenue	**17,650**	**19,762**	**19,888**
Annual container volumes handled (TEUs)	**273,650**	**265,064**	**266,121**

	FY2013	**FY2012**	**FY2011**
Revenue growth *(Revenue FY1/Revenue FY0)*	-11%	-1%	
Growth in TEUs *(TEUs FY1/TEUs FY0)*	3%	-1%	
% of total revenue:			
Container services	75%	69%	67%
Cargo storage	10%	18%	18%
Additional handling and other services	17%	14%	16%
Discounts	-2%	-1%	-1%

In FY2012, revenue generated from container services was relatively stable at €13.6 million (+2.3%) when compared to FY2011 (€13.3 million), and registered a 3% drop in the subsequent year (FY2013) to €13.2 million. The decrease in revenue was mainly the result of the company earning lower income per TEU, since in FY2013 the terminal handled a record 273,446 TEUs (+3%).

As to cargo storage, the company registered a sharp decline in FY2013 (-48%) primarily due to the cessation of storage of NATO reefers at the terminal as a result of a withdrawal of troops from Afghanistan. In FY2013, additional handling and other services recovered from the decline in FY2012 to €3 million (+13%), which is similar to revenue achieved in FY2011.

During FY2013, shipping lines took advantage of volume discounts by passing increased volume of containers through the terminal and which therefore resulted in an increase in discounts from €90,000 in FY2012 to €395,000 in FY2013.

4.2.6 *Revenue by customer*

As an important node within the region's logistics network, BCT's clients include shipping lines, freight forwarders, third party logistics service providers, liner agents, inland carriers (such as road haulage companies), as well as end-customers. The container terminal services some of the world's largest shipping lines which call directly at the terminal as well as other shipping lines that use common feeder services. These include Maersk Line, Compagnie Maritime d'Affretement – Campagnie Generale Maritime (CMA-CGM) and Mediterranean Shipping Company (MSC), Unifeeder and Team Lines, as well as Evergreen, China Shipping Container Lines (CSCL), Nippon Yusen Kaisha (NYK) and Orient Overseas Container Line (OOCL). BCT has strong relationships with all the major shipping lines and their local representatives, and strives to maintain good relations with both existing and potential clients.

A segmental analysis of revenue by customer for the three financial years ended 31 December 2011 to 31 December 2013 is provided below:

Revenue by customer (€'000)	**FY2013 Actual**	**FY2012 Actual**	**FY2011 Actual**
Total revenue	**17,648**	**19,762**	**19,888**
Top three customers	10,356	10,030	11,306
Top five customers	13,383	12,622	14,110
Top ten customers	14,673	16,682	16,304
% of total revenue:			
Top three customers	59%	51%	57%
Top five customers	76%	77%	77%
Top ten customers	83%	84%	82%

Revenue for the top three customers increased by 3% in FY2013 following a decrease of 11% in FY2012. Revenue attributed to the top three customers amounted to 59% of total reported revenue in FY2013 compared to 51% in FY2012 and 57% in FY2011.

Revenue derived from the top five customers increased by 6% in FY2013. However, revenue from the top five customers as a percentage of total reported revenue decreased from 77% in FY2012 to 76% in FY2013.

As to the top ten customers, revenue attributable to this sector decreased by 12% in FY2013, but as a percentage of total revenue, top ten customers maintained broadly the same share of revenue at 83%.

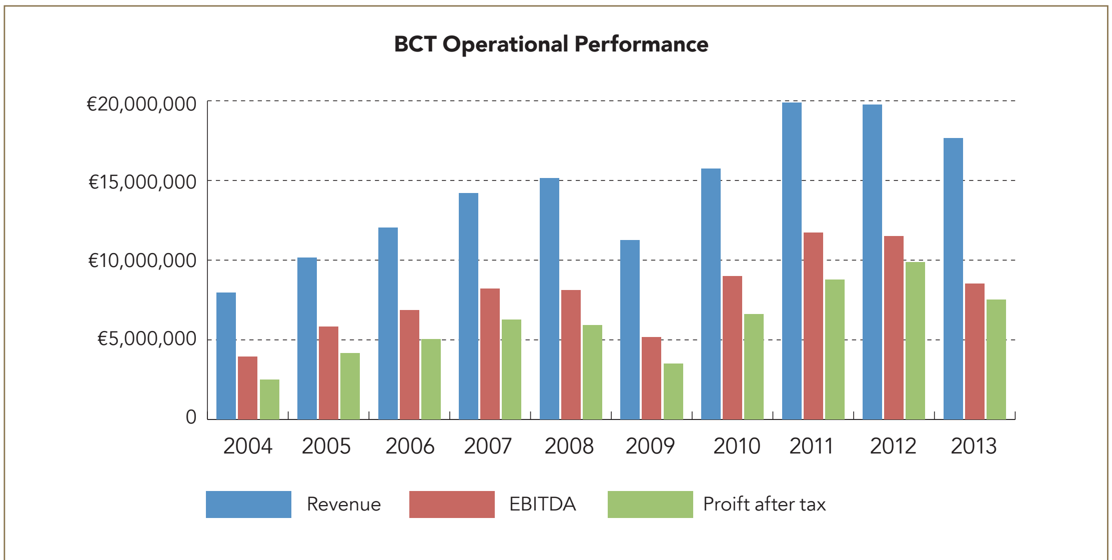
4.2.7 Operational performance (2004 – 2013)

As detailed below, over the past 10 years, BCT has performed well and this is reflected both in revenue growth and yearly profits. During the period under review, revenue more than doubled from €8.0 million in FY2004 to €17.6 million in FY2013, while profits tripled from €2.5 million in FY2004 to €7.5 million in FY2013. The significant increase in results is due to the ongoing investment undertaken in terms of equipment, infrastructure and facilities at the terminal to handle increased volumes. In fact, over the year, volume handled by BCT increased from *circa* 150,000 TEUs in FY2004 to *circa* 273,000 TEUs in FY2013.

Furthermore, as the company managed to increase TEUs handled at the terminal over the years and consequently its income generation, management ensured that the company's EBITDA and profit margins were broadly maintained. As outlined hereunder, the lowest EBITDA and net profit margins were registered in FY2009 (46% and 31% respectively) due to the global economic crisis that negatively affected both the Latvian economy and BCT's business activities.

CHARTS
WEALTH MANAGEMENT • CORPORATE BROKING

BCT (€'000)	FY2013 Actual	FY2012 Actual	FY2011 Actual	FY2010 Actual	FY2009 Actual	FY2008 Actual	FY2007 Actual	FY2006 Actual	FY2005 Actual	FY2004 Actual
Revenue	17,648	19,762	19,888	15,738	11,239	15,142	14,202	12,025	10,158	7,971
Container services	13,166	13,601	13,323	10,953	7,556	9,946	9,315	7,924	7,217	6,021
Cargo storage	1,836	3,556	3,594	2,422	2,102	3,317	3,258	2,471	1,667	1,306
Other services	3,040	2,694	3,090	2,363	1,588	1,879	1,646	1,636	1,280	689
Discounts	-395	-90	-119	-	-8	-	-18	-6	-6	-44
EBITDA	8,504	11,449	11,711	8,986	5,173	8,114	8,197	6,844	5,817	3,936
Profit for the year	7,510	9,884	8,783	6,612	3,504	5,911	6,265	5,043	4,166	2,501
TEUs ('000)	**274**	**265**	**266**	**218**	**156**	**207**	**212**	**177**	**167**	**150**
Revenue growth *(Revenue FY1/Revenue FY0)*	-11%	-1%	26%	40%	-26%	7%	18%	18%	27%	
TEUs growth *(TEUs FY1/TEUs FY0)*	3%	-1%	22%	40%	-25%	-2%	20%	6%	11%	
EBITDA margin *(EBITDA/revenue)*	48%	58%	59%	57%	46%	54%	58%	57%	57%	49%
Net profit margin *(Profit after tax/reAdd. handling & other servicese)*	43%	50%	44%	42%	31%	39%	44%	42%	41%	31%



CHARTS
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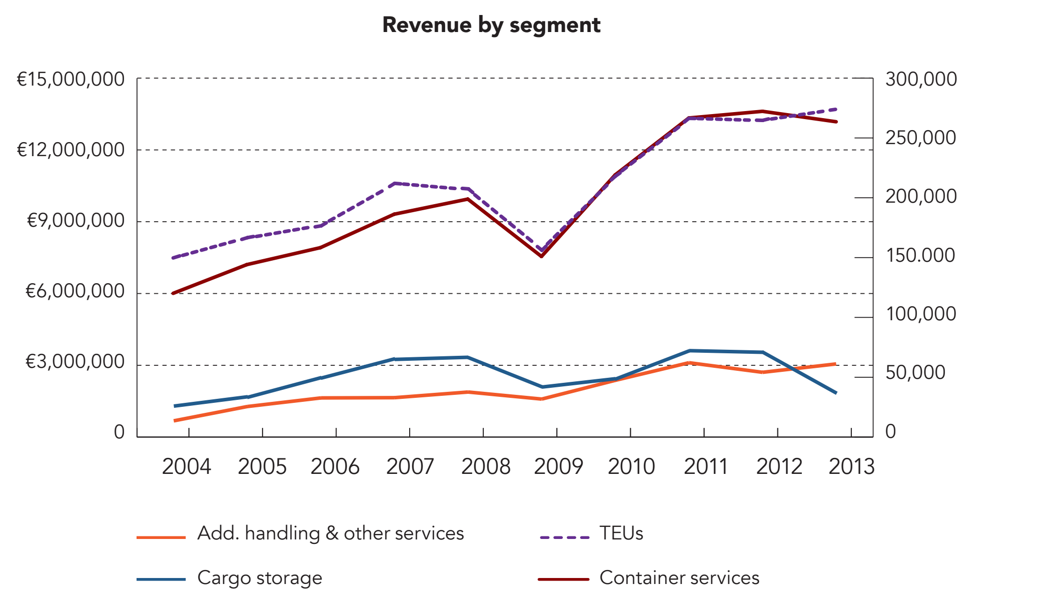

As depicted in the above chart, BCT is principally involved in the handling of containers (loading and unloading). Furthermore, revenue generated from this activity (red line) is correlated to the volume of containers that pass through the terminal (purple dashed line). Growth in container services at BCT has been constant over the ten year period, except for the impact of the economic crisis in FY2009. On the positive side, the negative effect of the downturn was short and volumes immediately recovered to pre-crisis levels.

CHARTS
WEALTH MANAGEMENT • CORPORATE BROKING

4.2.8 *Financial position*

Statement of financial position (€'000)	31 Dec'13 Actual	31 Dec'12 Actual	31 Dec'11 Actual
ASSETS			
Non-current assets			
Intangible assets	362	427	454
Property, plant and equipment	10,257	7,496	7,509
Investment in EQR	2,976	2,976	2,976
Investment property	82	82	82
Amounts due from related parties and other receivables	30,811	24,541	25,038
Total non-current assets	**44,488**	**35,522**	**36,059**
Current assets			
Inventory	387	415	392
Trade and other receivables	3,601	3,759	2,732
Amounts due from related parties	412	1,482	875
Cash and cash equivalents	1,001	4,571	3,275
Total current assets	**5,401**	**10,227**	**7,274**
Total assets	**49,889**	**45,749**	**43,333**
EQUITY AND LIABILITIES			
Equity	**37,513**	**32,503**	**29,619**
LIABILITIES			
Non-current liabilities			
Loans from related parties	8,208	-	-
Loans from credit institution	-	7,288	8,210
Other loans	454	321	-
Other creditors	-	-	1,395
Deferred tax liability	557	547	463
Total non-current liabilities	**9,219**	**8,156**	**10,068**
Current liabilities			
Loans from related parties	138	113	-
Loans from credit institution	1	1,121	2,045
Other loans	227	19	-
Other creditors	1,078	2,542	1,601
Unpaid dividends	1,713	1,295	-
Total current liabilities	**3,157**	**5,090**	**3,646**
Total liabilities	**12,376**	**13,246**	**13,714**
Total equity and liabilities	**49,889**	**45,749**	**43,333**

Intangible assets mainly relate to the "SPARCS" software (the terminal operating system) provided by a company called NAVIS. This system is used to optimise yard storage, that is, to minimise cost of placement of containers and increase efficiency in space utilisation. It is also used to plan unloading and loading of containers from/to vessels. Furthermore, through the software the company maintains a record of all movements of containers. BCT's customers are linked to this system which enables them to monitor the status of their respective containers with related historical records.

Property, plant and equipment comprise all equipment, yard structures and warehouses situated at the terminal operated by BCT. The land is public property and is leased from the Riga Freeport Authority. Since FY2001, BCT has invested in modernising the existing plant and equipment as well as expanding the fleet of cranes, reach stackers and other yard machinery.

The company also added two new warehouses which were completed during the years FY2009 to FY2013, and extended existing rail facilities. Following the completion of these warehouses, BCT increased available warehouse space to 20,400m^2. Due to the increase in demand for modern warehousing space in the region, BCT plans to continue investing further in such storage facilities.

BCT's capital expenditure on a cash basis for FY2011, FY2012 and FY2013 was €1.8 million, €1.2 million and €3.9 million respectively. Capital commitments for FY2014 amount to €3,325,000 and relate to the outstanding balance due on a new ship-to-shore crane.

As to bank borrowings, during FY2013 BCT repaid in full the outstanding bank loan (loans from credit institutions). This transaction was financed through a new loan granted to BCT by its immediate parent MFB and matures on 30 November 2015. Other loans amounting to €680,000 at FY2013 (as at 30 April 2014: €604,800) comprise loans granted by a commercial company for investment in a new warehouse for the storage of general freight. This loan matures on 31 December 2016, and it is expected that between FY2014 and FY2016, BCT will offset rental income of €227,000 per annum against loan repayments until such loan has been settled.

4.2.9 Optimisation of terminal operations

In order to maintain its competitive edge in the market, BCT's management reviews operation methodologies and performance on an on-going basis, monitors developments in the industry and ensures that it maintains excellent relations with its clients. Through this gathering of information, BCT is able to plan timely and strategic investments at the terminal to maintain its competitiveness.

It is expected that BCT will continue to optimise its operations by increasing productivity, further investing in equipment, technological processes and infrastructure, and enhancing its customer service to consolidate customer relationships.

5. THE GLOBAL CONTAINER MARKET

5.1 INTRODUCTION

Container shipping was first introduced in the 1950s and since the late 1960s has become the most common method for transporting many industrial and consumer products by sea. As a result, containerised trades (being the transportation of cargo in standardised containers) and container port throughputs has seen an overall strong, continuous and almost uninterrupted growth. Container shipping is performed by container shipping companies that operate frequent scheduled or liner services, similar to a passenger airline, with pre-determined port calls, using a number of owned or chartered vessels of a particular size in each service to achieve an appropriate frequency and utilisation level.

Container shipping has a number of advantages, compared with other shipping methods, including:

- **Less cargo handling** – containers provide a secure environment for cargo. The contents of a container, once loaded into the container, are not directly handled until they reach their final destination.

- **Efficient port turnaround** – with specialised cranes and other terminal equipment, container ships can be loaded and unloaded in significantly less time and at a lower cost than other cargo vessels.

- **Highly developed intermodal network** – onshore movement of containerised cargo, from point of origin, around container terminals, staging or storage areas and to final destinations, benefits from the physical integration of the container with other transportation equipment such as road chassis, railcars and other means of hauling the standard sized containers. A sophisticated port and intermodal industry has developed to support container transportation.

- **Reduced shipping time** – container ships can travel at speeds of up to 25 knots, even in rough seas, thereby transporting cargo over long distances in relatively short periods of time.

5.2 GROWTH IN GLOBAL CONTAINERISATION

Since the introduction of containerised commercial services up to 2008, world container traffic (the number of containers being carried) has grown exponentially, with an estimated volume of 28.7 million TEUs (Twenty-foot Equivalent Units - the standardised measure of container volumes) in 1990 to some 152.0 million TEUs in 2008 - an increase of approximately 430%. During this same period global container throughput (containers handled at ports and terminals) went from 88 million TEUs to 530 million TEUs - an increase of over 500%. The chart below highlights the year-on-year growth in TEUs since 1980, and indicates an accelerating growth trend, except for 2009, which was negatively impacted by the global financial crisis. Despite growth rates not reaching the levels recorded prior to the downturn, global traffic in 2010 exceeded pre-crisis volumes. The global container throughput is forecasted to reach 684 million TEUs in 2014 and exhibit an average of 6.5% year-on-year growth over the next few years.

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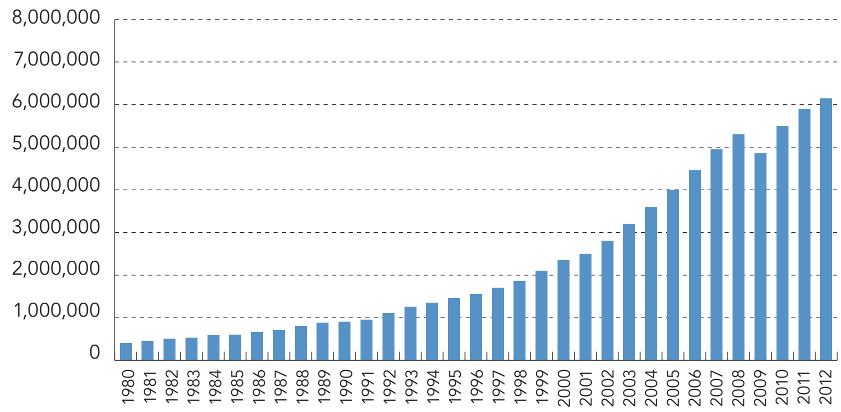
Graphical representation of global container port throughput between 1980 and 2012



Key drivers that contributed to the growth in global container throughput over this period were sustained growth in global trade, increased global sourcing and manufacturing, a shift from transporting cargo in bulk to transporting cargo in containers and growth in transhipment volumes. This has resulted in the evolution of ever-expanding container ships as well as a shift toward the specialisation of ports and terminals.

5.3 ORIGIN & DESTINATION (O&D) VS TRANSHIPMENT

The two main categories of container throughput are Origin & Destination (O&D), which is also often referred to as import and export, and transhipment. Every container shipped by sea is, by definition, an export container at the origination terminal and an import container at the destination terminal. A container that is transferred from one ship to another at some point during the journey is referred to as transhipped, which gives rise to transhipment throughput at an intermediate terminal somewhere between the load terminal and the discharge terminal.

5.4 HINTERLAND TRANSPORTATION

Container terminals are a crucial link in a logistics chain. They are nodes that connect with other inland transport modes such as motorways, railways, and inland waterway systems. Terminals have evolved from a cargo handling point to a distribution centre with physical infrastructure serving as transport hubs in the container supply chain. Hence, a container terminal has become an interface between the areas of production and consumption, attracting the attention of players in the shipping and transport related areas. Additionally, high quality inland transport links is a key element in the success of a container terminal.

5.5 CONTAINER TERMINAL MARKET

The container terminal market features high barriers to entry due to the high capital requirements necessary to build container terminal capacity, regulatory requirements and limited land availability. The construction of new ports or terminals is capital intensive and is highly dependent on the region and the type of construction required.

6. BALTIC SEA REGION CONTAINER MARKET

6.1 OVERVIEW

The global major and minor shipping routes form a complex transportation network which links the worlds' ports and terminals. The latter are often classified into groups of ports/terminals - port systems - which serve as maritime/land interfaces to specific hinterland markets. The Baltic Sea Region is one such port system and is considered as one of the major European transport gateways.

The Baltic Sea Region (BSR) comprises eleven nations with 100 million inhabitants, eight of which are EU members. These include the Baltic states (Estonia, Latvia and Lithuania), the Nordic countries (Denmark, Iceland, Finland, Norway and Sweden), Northern Germany, Northern Poland and Russia's Northwestern region, including Kaliningrad. Individually, the constituent nations are diverse in terms of politics, geography, demography and economics. The region, however, is characterised by stable democracies, institutional structures favourable to business, proximity of markets, good infrastructure, high levels of education, strong industrial traditions and a shared history of co-operation and trade.

The BSR port system is versatile and multifunctional which features well-established large ports and a whole range of medium-sized and smaller ports, each with its individual characteristics in terms of hinterland markets served, cargo handled and unique location features. This exceptional blend of different port types and sizes combined with a vast economic hinterland shapes port significance and competition in the region.

The top ten Baltic container ports of 2013 were as follows:

Name of BSR Port	**Cargo handled (TEUs)**
St Petersburg	2,514,440
Gdansk	1,177,623
Gothenburg	858,000
Gdynia	729,607
HaminaKotka	626,924
Helsinki	406,246
Aarhus	402,701
Klaipeda	402,535
Riga	**381,099**
Kaliningrad	325,259
TOTAL	**7,824,434**

Source: www.baltictransportjournal.com

6.2 HISTORICAL DEVELOPMENT

In the 1990s, the Baltic ports witnessed a significant transition, mainly as a result of changes in the political environment. The BSR ports got embedded in the ever-changing economic and logistics systems and were confronted with changing port governance structures due to globalisation processes.

Through the expansion of the European Union to 27 member states, economic centres in East and Central Europe gained importance when compared to the traditional economic core of Europe. The increased participation of these regions in EU economic activities created opportunities for new transhipment centres and hinterland networks.

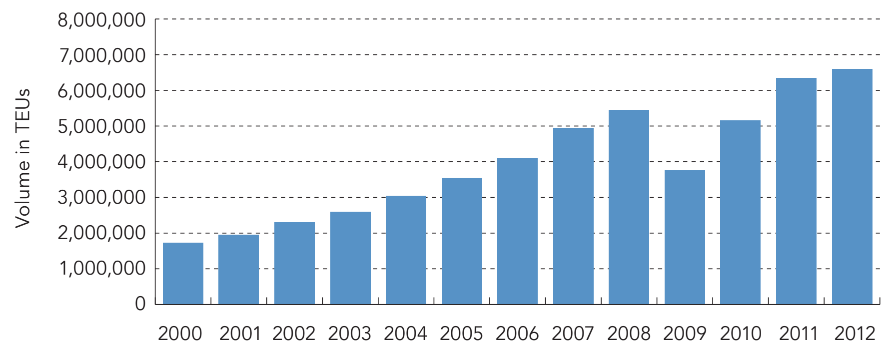
During the latter half of the 1990s, the 'Europe – Far East trade route' became the most important international trade route and the so-called China factor redirected focus of a number of ports and terminals towards the East. This implied a shift from the Atlantic Rim to the Suez Canal Route, thereby providing an opportunity for Baltic ports to participate in these trade flows.

At the same time, logistics service providers, shipping lines and terminal operators have gone through an unprecedented wave of consolidations. This has led to powerful global terminal networks, carrier groups, and third party logistics service providers to emerge. This process was further enhanced by vertical integration strategies of many market players contributing to the emergence of global carriers. As a result, European terminal operators and inland transport operators are increasingly dealing with large port clients that have more bargaining power than smaller ones.

On the other hand the European port system, including the Baltic ports, has been witnessing an inflow of global terminal operators since the mid-1990s. Global companies such as DP World from Dubai, PSA from Singapore and Hutchison Port Holdings from Hong Kong have entered the European container handling business. The entry of large terminal groups has been supported by the lowering of entry barriers as a consequence of more open and transparent procedures used by port authorities and government agencies in relation to the awarding of seaport concessions.

6.3 BSR CONTAINER DEMAND

In the last few years container terminal development in the BSR has been characterised by capacity growth. Subsequent to the global recession, the BSR experienced a strong recovery in 2010 which, as indicated in the graph overleaf, was followed by almost exceptional growth in 2011.



Russia plays a very important role in the development of the Baltic container trade. It provides the main critical volume and size for the region and largely defines trends in Baltic container shipping. St Petersburg is Russia's, as well as the Baltic's, largest container port handling over 26% and 50% of all containerised cargo in the BSR and Russia respectively. The majority of Russian cargo is still transported as bulk cargo and therefore, there is a high containerisation potential for both Russia as well as the BSR.

From an EU perspective, member states are intensely promoting short-sea shipping in order to shift some volumes of cargo from motorways to the sea. The EU is therefore investing in the development of inland corridors, linking inland regions to more gateways to create more routing options and provide increased flexibility to shippers and logistic service providers.

The outlook for the BSR may be summarised as follows:

- Strong and sustained growth anticipated for the BSR to 2025;
- Increased number of direct calls and likely reduction in transhipment intensity;
- Increased competition for deep-water terminals by 2016;
- Terminals to become increasingly efficient with further services added to their offerings;
- Transit links to Central Europe will create opportunities and threats for BSR ports.

6.4 CONCLUSION

The above changes in the port environment have influenced the competitive perspective for container terminals in Europe, and in particular, have impacted the dynamic development of the Baltic ports and cargo flows. This has generated economic growth for the entire region and has increased the importance of the BSR amongst the global players in the sector. In the short term the market will continue to be served via transhipment in major European hubs. This scenario is expected to change in the medium to long term as direct calls of main line vessels to European ports, including Baltic ports, gradually increase partly displacing frequency of feeder vessels.

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PART 2

7. COMPANY PERFORMANCE REVIEW

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

In November 2013, a corporate restructuring exercise took place pursuant to which 49,999 ordinary shares of €10 each share in the Company were transferred from Mariner Srl (a company registered in Italy with registration number 07839180630) to Mariner Capital Limited (a company registered in Malta with registration number C 11890), and the remaining 1 ordinary share (having a nominal value of €10) was transferred from HCL Holdings Limited (a company registered in Malta with registration number C 15213) to Mr Marin Hili. A further corporate restructuring exercise was carried out in April 2014, whereby the Issuer became the parent company of the Mariner Group as set out in section 3.1 under the heading "**Organisational structure"**.

Accordingly, the financial information below for the year ended 31 December 2013 is being presented on a pro forma consolidated basis to reflect the above restructuring process.

7.1 FINANCIAL INFORMATION

The following financial information is extracted from the pro forma consolidated financial statements of Mariner Finance p.l.c. (the "**Company**") for the year ended 31 December 2013. The financial information for the years ending 31 December 2014 and 31 December 2015 has been provided by the Company.

Income Statement (€'000)	**FY2015 Projection**	**FY2014 Forecast**	**FY2013 Pro forma**
BCT	18,581	17,608	17,648
EQR	451	419	375
Revenue	**19,031**	**18,027**	**18,023**
Operating expenses	(9,561)	(9,179)	(9,234)
EBITDA	**9,470**	**8,848**	**8,789**
Depreciation and amortisation	(1,911)	(1,771)	(1,574)
Net interest expense	(1,737)	(1,525)	(143)
Profit before tax	**5,822**	**5,552**	**7,072**
Taxation	(779)	(678)	(259)
Profit for the year	**5,043**	**4,874**	**6,813**

The key accounting ratios are set out below:

	FY2015	FY2014	FY2013
Operating profit margin *(EBITDA/revenue)*	50%	49%	49%
Interest cover (times) *(EBITDA/net finance cost)*	5.5	5.8	61.5
Net profit margin *(Profit after tax/revenue)*	26%	27%	38%
Return on equity *(Profit after tax/shareholders' equity)*	23%	26%	43%
Return on capital employed *(Operating profit/total assets less current liabilities)*	13%	13%	18%
Return on assets *(Profit after tax/total assets)*	7%	7%	12%

Source: Charts Investment Management Service Limited

The pro forma consolidated income statement for FY2013 shows the financial performance of the Group, assuming that all Group restructuring transactions undertaken during FY2014 were completed as of 31 December 2013, and that Mariner Finance p.l.c. controlled the Group as from 1 January 2013. The historical results for FY2013 and forecasted figures for FY2014 and FY2015 principally relate to the operations of EQR and BCT, which are analysed in further detail in sections 4.1.3 and 4.2.4 respectively.

On a consolidated basis, the Group is expected to maintain a comfortable interest cover ratio of 5.8x in FY2014 and 5.5x in FY2015. The decline in FY2015 is due to the expected increase in borrowings in FY2014 (through the issuance of debt securities) which will bring about an increase in interest payable. This will also impact profitability and as a result the net profit margin is expected to decline from 38% in FY2013 to 26% in FY2015.

A reason for use of bond proceeds is to invest in one or more port terminals. It is to be highlighted that revenues and profits derived from the aforesaid prospective acquisition/s are not included in the above projected figures and therefore the additional borrowing costs and repayment of such borrowings have been fully loaded on the results of BCT and EQR. It has been assumed in the projections that the Group will earn a 3.25% return on the excess cash balance. In the event that an acquisition materialises in the near term, it is more than likely that the new port terminal will contribute towards the payment of interest due and overall profitability of the Group, with the consequence of re-establishing the interest cover ratio and net profit margin to historical levels.

Cash Flows Statement (€'000)	**FY2015 Projection**	**FY2014 Forecast**	**FY2013 Pro forma**
Cash flows from operating activiities	9,796	8,328	7,560
Cash flows from investing activities	(3,133)	(3,907)	(29,905)
Cash flows from financing activities	(5,622)	12,523	18,816
Net movement in cash and cash equivalents	**1,041**	**16,944**	**(3,529)**
Opening cash balance	18,101	1,157	4,686
Closing cash balance	**19,142**	**18,101**	**1,157**

Net cash flows from operating activities principally relate to the operations of BCT and EQR, which are analysed in further detail in sections 4.1.3 and 4.2.4 respectively.

In FY2013, cash used in investing activities included an investment in subsidiary entities which was funded through bank borrowings (in financing activities). Other investing activities comprise the acquisition of tangible assets at BCT, which in the financial years 2013 to 2015 is estimated to amount to €10.9 million.

As to financing activities, the Group withdrew in FY2013 €26 million from a loan facility to fund the aforesaid investment in subsidiary entities. The proceeds from the bond issue of €35 million have been included in the forecast of FY2014 against a repayment of bank loans of €20 million. A further €2 million is expected to be utilised in FY2015 for the repayment of bank loans. Aggregate net interest paid in the years FY2013 to FY2015 is expected to amount to €3.4 million, and the Group plans to pay €4.9 million in dividends in the period under review.

Statement of financial position (€'000)	**31 Dec'15 Projection**	**31 Dec'14 Forecast**	**31 Dec'13 Pro forma**
ASSETS			
Non-current assets			
Goodwill	13,185	13,185	13,185
Intangible assets	629	283	362
Property, plant and equipment	27,081	25,696	26,350
Investment property	5,184	5,183	5,184
Other tangible assets	6,910	7,418	4,548
Other non-current assets	320	327	301
Total non-current assets	**53,309**	**52,092**	**49,930**
Current assets			
Inventory	387	387	387
Trade and other receivables	2,360	3,640	2,902
Taxation	-	-	767
Cash and cash equivalents	19,142	18,101	1,157
Total current assets	**21,889**	**22,128**	**5,213**
Total assets	**75,198**	**74,220**	**55,143**

CHARTS
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Statement of financial position (*cont.*) (€'000)	**31 Dec'15 Projection**	**31 Dec'14 Forecast**	**31 Dec'13 Pro forma**
EQUITY AND LIABILITIES			
Equity	**22,012**	**18,769**	**15,695**
LIABILITIES			
Non-current liabilities			
Loans from credit institutions	10,940	12,941	30,606
Bonds	35,000	35,000	-
Related party balances	1,837	1,927	2,017
Other creditors	-	227	551
Deferred tax liability	548	548	548
Total non-current liabilities	**48,326**	**50,643**	**33,722**
Current liabilities			
Loans from credit institutions	2,001	2,001	4,333
Trade and other payables	2,081	2,130	1,219
Taxation	778	677	174
Total current liabilities	**4,860**	**4,808**	**5,726**
Total liabilities	**53,186**	**55,451**	**39,448**
Total equity and liabilities	**75,198**	**74,220**	**55,143**

Goodwill represents goodwill on acquisition of BCT and EQR, and results from the excess consideration paid over the fair value of the net assets and liabilities.

All assets included in the balance sheet, other than investment property and financial instruments, are assets held by BCT, which are analysed in further detail in section 4.2.8. Investment property comprises EQR's property in Riga Latvia, the value of which corresponds to the value estimated by a third party expert pursuant to a valuation exercise undertaken in February 2014. Financial instruments includes available-for-sale investments held by Mariner Finance p.l.c. (FY2013: €281,000) and derivative financial instruments held by MFB (FY2013: €32,000).

The key accounting ratios are set out below:

	FY2015	**FY2014**	**FY2013**
Gearing ratio (%)	57	63	68
(Net debt/net debt + shareholders' equity)			
Liquidity ratio (times)	4.50	4.60	0.91
(Current assets/current liabilities)			

Source: Charts Investment Management Service Limited

The gearing ratio (net debt/net debt + equity) demonstrates the degree to which the capital employed in a business is funded by external borrowings as compared to shareholders' funds. A company with high leverage tends to be more vulnerable when its business goes through a slowdown. At a leverage of 68% in FY2013, the Company's capital is funded to a higher degree from external debt as opposed to shareholders' funds. The Directors believe that the high leverage is appropriate for the Group in view of the substantial cash flows generated by BCT. As detailed in section 4.2.7 above, BCT has registered healthy operating profits in the past ten years, even during the economic crisis in FY2009, and is expected to continue generating substantial profits in the foreseeable future. Furthermore, BCT's cash flows are expected to be supplemented in the near term by positive earnings from prospective new acquisitions.

Other than equity, the Group is principally financed through bank loans and corporate bonds, analysed as follows:

Mariner Group Borrowings & Bonds (€'000)	**31 Dec'15 Projection**	**31 Dec'14 Forecast**	**31 Dec'13 Pro forma**
Loans from credit institutions	12,941	14,942	34,939
Bonds	35,000	35,000	-
Total debt	**47,941**	**49,942**	**34,939**

In FY2013, the Group had outstanding bank borrowings due by MFB of €34.88 million. The loan agreement was entered into on 29 April 2013 for an aggregate amount of €40 million. The funds were primarily utilised to acquire BCT from Mariner Srl, to purchase a container crane and the real estate property at the Riga terminal. Security for the obligations was provided by BCT and Mariner Capital Limited (the parent company of Mariner Finance p.l.c.). In addition to the aforesaid bank borrowings, EQR had an outstanding bank loan of €0.06 million as at FY2013 which will be settled during FY2014.

CHARTS
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PART 3

8. COMPARABLES

The table below compares the Company and its proposed bond issues to other debt issuers listed on the Malta Stock Exchange and their respective debt securities. The list includes all issuers (excluding financial institutions) that have listed bonds maturing in the medium term (within six to ten years), similar to the duration of the Company's bonds. Although there are significant variances between the activities of the Company and other issuers (including different industries, principal markets, competition, capital requirements etc) and material differences between the risks associated with the Company's business and that of the Issuers, the comparative analysis provides an indication of the financial performance and strength of the Company.

Comparative Analysis	Nominal Value (€'000)	Yield to Maturity (%)	Interest Cover (times)	Total Assets (€'million)	Net Asset Value (€'million)	Gearing Ratio (%)
7.0% GH Marina plc 2017/20	11,664	5.76	0.72	56.79	23.39	50
6.8% Premier Cap. plc 2017/20	24,656	5.52	3.38	69.58	16.17	67
6.0% S. Farsons Cisk plc 2017/20	15,000	5.02	8.59	151.53	91.93	24
6.6% Eden Finance plc 2017/20	14,133	5.99	3.01	100.23	43.69	46
6.2% Tumas Investments plc 2017/20	25,000	5.10	3.74	286.00	93.60	55
4.9% Gasan Finance plc 2019/21	25,000	4.66	3.88	185.58	78.01	40
6.0% Corinthia Fin. plc 2019/22	7,500	5.36	2.09	1,299.87	677.82	39
6.0% Medserv plc 2020/23	20,000	5.56	3.38	22.46	8.16	49
5.5% Pendergardens Dev plc 2020	15,000	5.50	n/a	18.74	3.27	53
6.0% Pendergardens Dev plc 2022	27,000	6.00	n/a	18.74	3.27	53
5.8% IHI plc 2023	10,000	5.27	2.54	1,092.67	626.49	33
6.0% AXI plc 2024	40,000	5.58	2.89	157.01	88.03	54
5.3% Mariner Finance plc 2024	**35,000**	**5.30**	**61.5**	**55.1**	**15.7**	**68**

14 May 2014

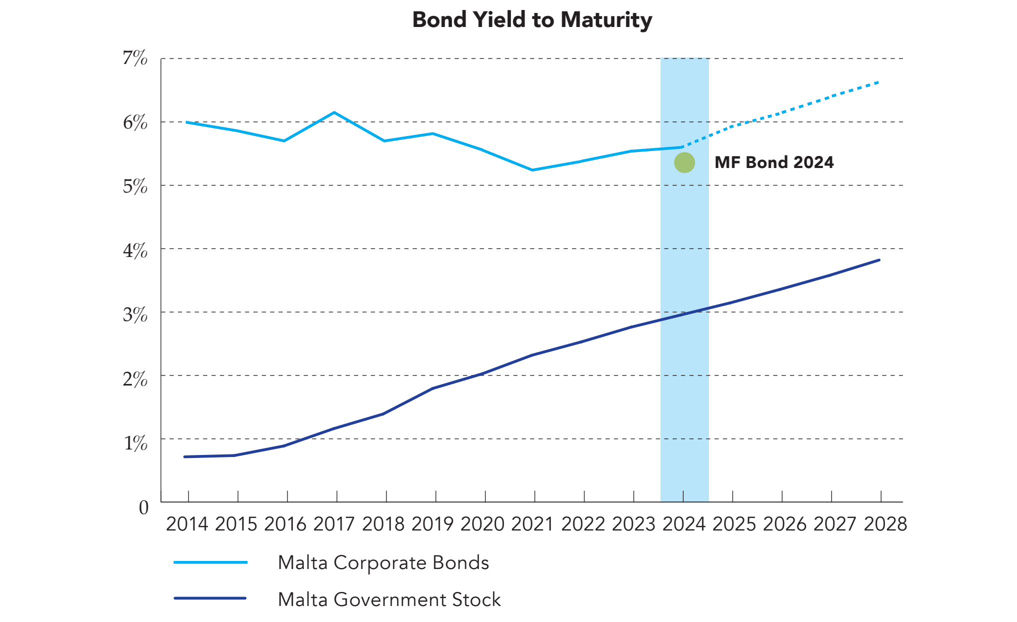
Source: Malta Stock Exchange, Charts Investment Management Service Limited
Annual Accounts: For the year ended 31 December 2013, except for Simonds Farsons Cisk plc (YE 31/01/13), Grand Harbour Marina plc (YE 31/12/12),Tumas Investments plc (YE 31/12/2012), Gasan Finance plc (YE 31/12/2012) and AX Investments plc (YE 31/10/2013).

The interest cover ratio determines the ability of a company to pay interest on its outstanding borrowings. For the financial year ending 31 December 2014 (post-bond issue), the Group's earnings before depreciation, interest and taxes is expected to be 5.8 times higher than interest expenses for the year. This indicates that the Group is generating significantly higher earnings to service its outstanding and future debt.

The debt to equity ratio or gearing ratio demonstrates the degree to which the capital employed in a business is funded by external borrowings as compared to shareholders' funds. A company with high leverage tends to be more vulnerable when its business goes through a slowdown. At a gearing ratio of 68%, the Group's external net debt is approximately double its shareholders' funds. Although this ratio is on the high side when compared to the gearing level of other listed issuers, it is observed that the Group generates substantial cash flows from BCT to service interest payments (FY2014: interest cover of 5.8 times). The Directors believe that, based on the current operations of BCT and future expectations, the current leverage is adequate for the business activities of the Group.

CHARTS
WEALTH MANAGEMENT • CORPORATE BROKING

The chart below shows the yield to maturity of the proposed bond as compared to other corporate bonds listed on the Malta Stock Exchange. The Malta Government Stock yield curve has also been included as the benchmark risk-free rate for Malta.



To date, there are no corporate bonds which have a redemption date beyond 2024 and therefore a trend line has been plotted (denoted in the above chart by the dashed line). The premium over Malta Government Stock has been assumed at 280 basis points, which is the average premium for medium term corporate bonds listed on the Malta Stock Exchange. The MF 5.3% Bonds 2024 has been priced at 235 basis points above Malta Government Stock and 28 basis points below listed corporate bonds.

CHARTS
WEALTH MANAGEMENT • CORPORATE BROKING

PART 4

9. EXPLANATORY DEFINITIONS

Income Statement	
Revenue	Total revenue generated by the Group from its business activities during the financial year, that is, the operations of BCT and EQR .
Operating expenses	Operating expenses include the cost of terminal operations and management expenses in maintaining the investment property of EQR.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. EBITDA can be used to analyse and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.
Profit after tax	Profit after tax is the profit made by the Group during the financial year both from its operating as well as non-operating activities.
Profitability Ratios	
Operating profit margin	Operating profit margin is operating income or EBITDA as a percentage of total revenue.
Net profit margin	Net profit margin is profit after tax achieved during the financial year expressed as a percentage of total revenue.
Efficiency Ratios	
Return on equity	Return on equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing profit after tax by shareholders' equity.
Return on capital employed	Return on capital employed (ROCE) indicates the efficiency and profitability of a company's capital investments, estimated by dividing operating profit by capital employed.
Return on Assets	Return on assets (ROA) is computed by dividing profit after tax by total assets.
Equity Ratios	
Earnings per share	Earnings per share (EPS) is the amount of earnings per outstanding share of a company's share capital. It is computed by dividing net income available to equity shareholders by total shares outstanding as at balance sheet date.
Cash Flow Statement	
Cash flow from operating activities	Cash generated from the principal revenue-producing activities of the Company.
Cash flow from investing activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Company.
Cash flow from financing activities	Cash generated from the activities that result in change in share capital and borrowings of the Company.

CHARTS
WEALTH MANAGEMENT • CORPORATE BROKING

Balance Sheet	
Non-current assets	Non-current asset are the Group's long-term investments, which full value will not be realised within the accounting year. Non-current assets are capitalised rather than expensed, meaning that the Group allocates the cost of the asset over the number of years for which the asset will be in use, instead of allocating the entire cost to the accounting year in which the asset was purchased. Such assets include intangible assets (goodwill on acquisition), investment properties, and property, plant & equipment.
Current assets	Current assets are all assets of the Company, which are realisable within one year from the balance sheet date. Such amounts include inventory, accounts receivable, cash and bank balances.
Current liabilities	All liabilities payable by the Company within a period of one year from the balance sheet date, and include accounts payable and short-term debt.
Net debt	Borrowings before unamortised issue costs less cash and cash equivalents.
Non-current liabilities	The Company's long-term financial obligations that are not due within the present accounting year. The Company's non-current liabilities include bank borrowings and bonds.
Total equity	Total equity includes share capital, reserves & other equity components, and retained earnings.
Financial Strength Ratios	
Liquidity ratio	The liquidity ratio (also known as current ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities.
Interest cover	The interest coverage ratio is calculated by dividing a company's operating profit of one period by the company's interest expense of the same period.
Gearing ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance a company's assets, and is calculated by dividing a company's net debt by net debt plus shareholders' equity.

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